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**PUBLIC**

May 1, 2017

Ms. Brinda Westbrook-Sedgwick  
Commission Secretary  
Public Service Commission  
of the District of Columbia  
1325 G Street N.W., Suite 800  
Washington, DC 20005

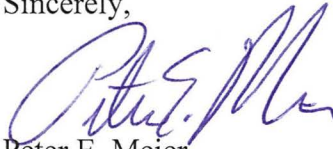
**Re: CAM-2017**

Dear Ms. Westbrook-Sedgwick:

Pursuant to Rules 3904.1 and 3904.3 of the Public Service Commission of the District of Columbia's Rules, 15 D.C.M.R. § 3904.1 and 3904.3, enclosed please find an original and fifteen (15) copies of the Public Version of Potomac Electric Power Company's Cost Allocation Manual 2017 and Supplements 1, 2, and 3. Please note that the Exelon Corporation corporate organizational chart is being provided as Confidential Exhibit 4 to the Cost Allocation Manual and is being submitted under separate cover.

Please feel free to contact me if you have any questions regarding this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Peter E. Meier".

Peter E. Meier

Enclosures

cc: All Parties of Record

Pepco Holdings LLC

Cost Allocation Manual 2017

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# PHI COST ALLOCATION MANUAL

## PURPOSE

Pepco Holdings LLC's (PHI or Company) business is subject to affiliate regulation in the jurisdictions in which PHI affiliates provide utility service. In addition, PHI is subject to regulatory oversight at the federal level. These regulations provide pricing rules to protect against cross-subsidization between utility and non-utility affiliates. In several of the jurisdictions where PHI utility companies provide service, the Public Service Commissions, as part of their affiliate regulations, require public utilities to file a Cost Allocation Manual (CAM) to document the process by which costs of providing services that are shared between the utility and its affiliates are allocated and assigned.

The purpose of the PHI CAM is to comply with these affiliate regulations and to provide documentation of the cost accounting principles and processes used to allocate and assign costs between PHI affiliates.

## SECTION 1– ORGANIZATION AND REGULATORY OVERSIGHT

### CORPORATE ORGANIZATIONAL STRUCTURE

On March 23, 2016, PHI completed its merger with Exelon Corporation (Exelon). Effective March 24, 2016, certain corporate services previously provided by PHI Service Company are now being provided by Exelon Business Services Company (EBSC), a shared service company which is also a subsidiary of Exelon.

PHI and Exelon are public utility holding companies under the Public Utility Holding Company Act of 2005 (PUHCA 2005), subject to the regulatory oversight of the Federal Energy Regulatory Commission (FERC). Under PUHCA 2005, FERC has authority to review the allocation of costs for non-power goods or administrative or management services, such as those provided by PHI Service Company and EBSC.

PHI, through its regulated utility subsidiaries, is engaged primarily in the transmission, distribution and default supply of electricity and, to a lesser extent, the distribution and supply of natural gas.

The following is a brief description of the business of each of PHI's subsidiaries:

Potomac Electric Power Company (Pepco)

Pepco is engaged in the transmission, distribution, and default supply of electricity in the District of Columbia, as well as major portions of Prince George’s County and Montgomery County in Maryland.

Delmarva Power & Light Company (DPL)

DPL is engaged in the transmission, distribution, and default supply of electricity in Delaware and portions of Maryland. In northern Delaware, DPL also supplies and distributes natural gas to retail customers and provides transportation-only services to retail customers that purchase natural gas from another supplier.

Atlantic City Electric Company and its subsidiary (ACE)

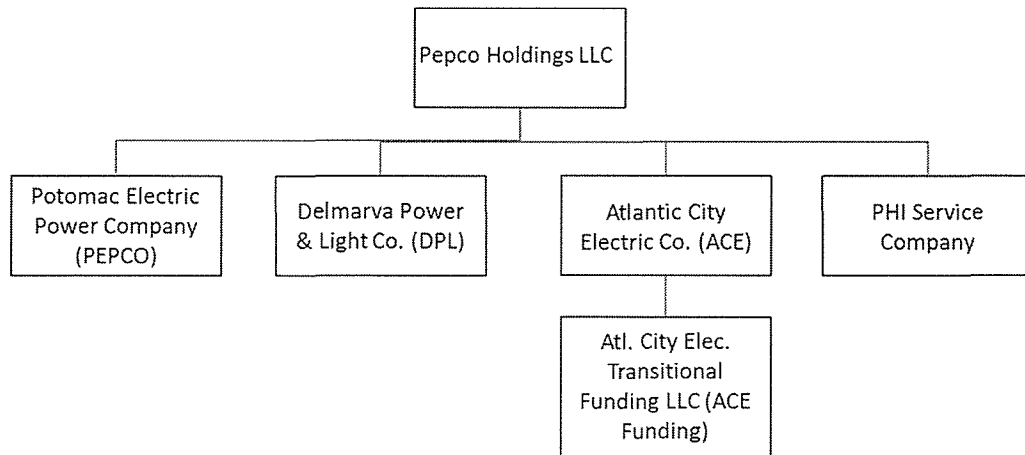
ACE is engaged in the transmission, distribution, and default supply of electricity in southern New Jersey.

In addition to its regulated utility subsidiaries, PHI has non-utility, or non-regulated, subsidiaries. The following is a brief description of the business of each of PHI’s principal non-regulated subsidiaries:

PHI Service Company

PHI Service Company is a centralized service company of PHI. PHI Service Company provides a variety of services, including legal, accounting, purchasing, engineering, distribution and transmission planning, asset management, system operations, power procurement and energy planning to the three regulated public utility subsidiaries of PHI. These services are provided pursuant to service agreements among PHI and its affiliates described in additional detail in Exhibit 1.

The following chart shows, in simplified form, the corporate structure of PHI and its subsidiaries:



The following is a brief description of the business of other Exelon subsidiaries which may provide services to PHI:

Exelon Business Services Company (EBSC)

EBSC is a centralized service company of Exelon. EBSC provides a variety of support services, including finance, human resources, information technology, and legal services to all Exelon subsidiaries. These services are provided pursuant to a General Service Agreement between EBSC and various Exelon entities, which includes PHI, described in additional detail in Exhibit 2 and 3.

Exelon Generation Company, LLC (EXGEN)

EXGEN consists of owned and contracted electric generating facilities and investments in generation ventures that are marketed through leading customer-facing activities. These customer-facing activities include wholesale energy, marketing operations, and the competitive retail customer supply of electric and natural gas products and services, including renewable energy, products, risk management services, and natural gas exploration and production activities.

Pepco Energy Services, Inc. and its subsidiaries, which became subsidiaries of EXGEN as a result of the merger between PHI and Exelon, provide energy savings performance contracting services, underground transmission and distribution construction and maintenance services, and steam and chilled water under long term contracts.

Commonwealth Edison (ComEd)

ComEd's energy delivery business consists of the purchase and regulated retail sale of electricity and the provision of transmission and distribution services to retail customers in northern Illinois, including the City of Chicago.

PECO Energy Company (PECO)

PECO's energy delivery business consists of the purchase and regulated retail sale of electricity and the provision of transmission and distribution services to retail customers in southeastern Pennsylvania, including the City of Philadelphia, as well as the purchase and regulated retail sale of natural gas and the provision of natural gas distribution services to retail customers in the Pennsylvania counties surrounding the City of Philadelphia.

Baltimore Gas and Electric Company (BGE)

BGE's energy delivery business consists of the purchase and regulated retail sale of electricity and the provision of transmission and distribution services to retail customers in central Maryland, including the City of Baltimore, as well as the purchase and

regulated retail sale of natural gas and the provision of natural gas distribution services to retail customers in central Maryland, including the City of Baltimore.

Reference Exhibit 4 (confidential) for a chart which shows the corporate structure of Exelon and its subsidiaries.

Reference Exhibit 5 for a list of corporate entities, officers, locations and business purpose of each entity.

## REGULATORY OVERSIGHT

The operations of PHI's utility subsidiaries, including the rates they are permitted to charge customers for the distribution and transmission of electricity and, in the case of DPL, the distribution and transportation of natural gas, are subject to regulation by governmental agencies in the jurisdictions in which the subsidiaries provide utility service as follows:

- \* Pepco's electricity distribution operations are regulated in Maryland by the Maryland Public Service Commission (MPSC) and in the District of Columbia by the District of Columbia Public Service Commission (DCPSC).
- \* DPL's electricity distribution operations are regulated in Maryland by the MPSC and in Delaware by the Delaware Public Service Commission (DPSC).
- \* DPL's natural gas distribution and intrastate transportation operations in Delaware are regulated by the DPSC.
- \* ACE's electricity distribution operations are regulated by the New Jersey Board of Public Utilities (NJBPU).
- \* Each utility subsidiary's transmission is regulated by the FERC.
- \* DPL's interstate transportation and wholesale sale of natural gas are regulated by the FERC.

Reference Exhibit 6 for the cost and pricing rules governing affiliate transactions for each regulatory jurisdiction in which the PHI utilities provide service.



## SECTION 2 - COST ACCOUNTING PRINCIPLES

### COST ACCOUNTING PRINCIPLE

The underlying principle of both PHI and Exelon's costing approach is the use of a fully distributed cost alignment methodology (full costing). The full costing philosophy is based on the premise that both direct and indirect costs are identified and charged for goods and services. The costs of goods and services include direct costs such as labor and materials, and indirect costs such as benefits and other related expenses. Full costing aids in ensuring indirect costs follow the same accounting path as direct costs when billed to affiliates.

### THREE-TIERED APPROACH FOR COST ASSIGNMENT

The principle for assigning both direct and indirect costs to an affiliate is based on a three-tiered approach as described and prioritized below:

(1) **Direct Assignment** - Costs which benefit a specific affiliate will be directly assigned to their accounting records whenever practical. Since one affiliate is identifiable as benefiting from these costs, no inter-affiliated cost movements are required. This assignment represents the majority of costs which are recorded on a PHI affiliate's books and records. For example, DPL overhead linemen and associated materials and contractors are directly assigned to the books and records of DPL. DPL is the affiliate specifically benefiting from this lineman's services. Therefore, their expenses can be assigned as salary and material costs directly on the accounting records of this affiliate.

(2) **Direct Charging** - Labor services and common support services (such as information technology (IT), payroll and facilities are directly charged to affiliates, whenever practical, using a fully costed rate. Direct Charging enables costs which have been directly assigned to be distributed between affiliates based on the fully costed rate multiplied by the number of units (hours, users, etc.) assigned to the affiliate.

(3) **Allocation** - Costs which cannot be directly assigned or directly charged from a Service Company are allocated using one of the allocation ratios included in PHI's or EBSC's service agreements.

## SECTION 3 – PHI COST ACCOUNTING PROCESS

### ACCOUNTING SYSTEMS

SAP is the enterprise resource planning system used to accumulate and track costs of the PHI affiliates. Within SAP there are separate modules utilized for different aspects of the accounting and reporting process: financial (FI), cost accounting (CO), FERC, and time reporting (CATS).

#### SAP Modules

The FI module includes a general ledger that accumulates costs by company and account. Each PHI company is assigned a unique four digit code number in the accounting system for identifying each affiliate's costs. Each company has separate accounts that identify total costs incurred for a particular cost category (e.g., salaries and wages, depreciation, taxes, materials and supplies, and contractors).

The CO module is the primary tool used to accumulate and distribute costs. Cost objects such as cost centers, orders, and projects are utilized as a work order system to pool costs together. Cost distribution processes such as activity type prices, overheads, and allocations are then used to distribute costs between these cost objects.

The FERC module functionalizes the Company's revenues and expenses in accordance with the accounting requirements of the Uniform System of Accounts prescribed by FERC. Functionalized results are accumulated in general ledger accounts in the FI module.

The CATS module is used by employees to record and track their time. The CATS module records the direct time charging of an employee to cost objects established in the CO module.

#### Power Plant

Power Plant is the system used to track the cost of the Company's property plant and equipment and calculate the related depreciation. These amounts are interfaced with SAP's accounting modules.

### COST ACCUMULATION

Several types of cost objects, as listed below, are utilized to collect costs within the CO module. The use of cost objects assists in the determination of specific types of services or products that are provided to PHI affiliates. Cost objects can also be utilized to assist in the distribution of costs to specific affiliates that receive the services, as well as to functionalize expenses for regulatory purposes.

### Resource Cost Center

A resource cost center contains the costs of the people, resources, and assets (i.e., facilities and vehicles) needed to perform work. The key cost concept of resource cost centers is to capture these costs as “provider” cost centers that reflect the cost of the basic resources available to perform work. Costs included in resource cost centers are direct costs, such as labor and materials and supplies needed to support employees, as well as indirect and overhead costs, such as benefit, IT, vehicle, and occupancy costs. Employees in resource cost centers charge other non-resource cost objects for services provided.

### B Cost Center

Each resource cost center has a corresponding cost center designated for non-resource expenses and expenses not included in the fully costed rate used to direct charge time. These cost centers are referred to as “B” cost centers. For example, contractor expenses, training, and corporate membership costs would be included in the B Cost Center.

### Billing Cost Center

Billing cost centers are used to accumulate costs where the product or service differs from that of the resource cost center, or where the receiver of the specific service is more than one affiliate. For example, an employee may spend a portion of their day supporting lobbying activities in the state of Maryland. Both Pepco and DPL operate in the state of Maryland. This time would be directly charged to a billing cost center and allocated to cost objects in Pepco and DPL, which would then account for the expenses “below the line.”

### Product Cost Center

Product cost centers are utilized to collect costs relating to a specific product. These products are separately distinguished to facilitate the appropriate cost accounting treatment. For example, costs associated with the SAP system are collected in a specific product cost center and are directly charged to the users of that system.

### Receiver Cost Center

Receiver cost centers are utilized to accumulate direct charges and allocations received from affiliates. These cost centers assist in the functionalization of expenses by the regulated utility affiliates. For example, in the billing cost center example noted above for lobbying activities, lobbying costs charged to DPL would be accumulated in a unique receiver cost center that functionalizes the expense as a below the line cost on DPL’s books.

## Projects

Projects are work order type cost collection tools within the accounting system that accumulate costs associated with a capital project.

## Orders

Orders are also work order type cost collection tools within the accounting system. An order will either settle to a cost center, if expensed, or to a balance sheet account. Order settlement involves the process of posting the costs collected in an order, at a summarized level, to the associated cost center or balance sheet account. Orders are typically utilized to track costs for a specific task or project. For example, a cost center for a building owned by DPL may include an order to capture snow removal costs associated with the building.

## ACTIVITY TYPE PRICES

Fully costed direct charging rates are calculated for each PHI cost center which serves as a resource cost center (i.e., a cost center where employee costs are initially recorded). The rate, referred to as an activity type price (ATP), is the estimated hourly cost of an employee. Within each resource cost center, there may be one or multiple activity type prices developed depending on differences in the type of work performed by each employee. Each employee is assigned only one activity type price (i.e., an employee cannot have multiple activity type prices), but several employees in a resource cost center can use the same activity type price. A labor activity type price includes: (1) direct costs, such as wages, materials, and supplies; and (2) indirect and overhead costs such as employee benefits, payroll taxes, pension, post-employment benefits, vehicle costs, occupancy costs (i.e., facilities/building), IT services, and employee service.

ATP rates are also used to distribute the vehicle, occupancy, IT services, and employee service indirect costs, described in the next section, based on an estimated unit cost.

ATP rates are updated at least annually, but may change more frequently due to changes in assumptions used to calculate the rate.

## OVERHEAD AND INDIRECT COSTS

Overhead and indirect costs are distributed to cost objects based on the consumption of the resource that causes the item (e.g., employee benefit costs are distributed based on wages and facilities costs are distributed based on occupied square footage). The rates are updated at least annually, but may change more frequently due to changes in assumptions used to calculate the rate. Due to the use of fully costed activity type prices for labor charges to affiliates, no additional overheads are applied to labor charges billed to affiliates. Overhead costs are built into the activity type price charged to the affiliates.

## 1. Employee Benefits and Payroll Taxes

Employee benefits, pension benefits, other postretirement employee benefits (OPEB) and payroll taxes are charged using overhead rates to the PHI resource cost center that includes wage expense (i.e. employees performing the work).

The overhead rate for employee benefits is based on estimated annual data, and is derived by dividing *Total Estimated Employee Benefit Cost per Legal Entity* by *Total Estimated Base Wage Expense per Legal Entity*. The overhead rate reflects the estimated cost of health and dental care, life and accident insurance, workers compensation, and other miscellaneous benefits.

The overhead rate for payroll taxes is based on estimated annual data, and is derived by dividing *Total Estimated Payroll Taxes Cost per Legal Entity* by *Total Estimated Overtime and Base Wage Expense per Legal Entity*. The overhead rate reflects the cost of Federal Insurance Contributions Act taxes, Medicare, State and Federal Unemployment taxes, and other employee related taxes.

The overhead rate for pension benefits is based on estimated annual data, and is derived by dividing *Total Estimated Pension Expense per Legal Entity* by *Total Estimated Base Wage Expense per Legal Entity*.

The overhead rate for OPEB benefits is based on estimated annual data, and is derived by dividing *Total Estimated OPEB Expense per Legal Entity* by *Total Estimated Base Wage Expense per Legal Entity*.

## 2. Occupancy Costs

Occupancy costs are collected in cost objects on the books of the affiliate which leases or owns the building. The costs attributed to each building are then allocated to each affiliate based on proportional occupied space utilized by the affiliate. The cost at the affiliate level is then distributed to the related occupant's cost center based on a cost per square foot. The cost per square foot is calculated by dividing the *Total Estimated Occupancy Costs per Legal Entity* by *Total Estimated Number of Square Feet of Occupancy per Legal Entity*. Two types of rates are computed, "finished rate" and "unfinished rate." The finished rate represents the estimated occupancy cost of space which is carpeted and furnished. The unfinished rate represents the estimated occupancy cost of space which has not been carpeted or furnished.

## 3. Information Technology (IT) Common Support Costs

IT common support costs include workstation, network, phone, SAP, and other platform costs, and are directly charged from PHI Service Company to cost objects based on a user fee.

The workstation fee is derived from dividing *Total Estimated Costs to Support PHI Workstations* by *Total Estimated PHI Workstations in Use*. The workstation user fee includes the estimated cost of depreciation and lease costs of computers and peripheral equipment, software license fees, help desk costs and associated labor and contractor costs.

The network fee is derived from dividing *Total Estimated Costs to Support PH Network Operations* by *Total Estimated Number of PHI Local Area Network ID's*. The network user fee includes the estimated cost of hardware and software and associated labor and contractor costs that support local area network services (network drives, shared drives, and email).

The phone fee is derived from dividing *Total Estimated Costs of Phone Support* by *Estimated Number of Phone Extensions*. The phone user fee includes the estimated cost of local and long distance telecom service plus hardware, software and associated labor and contractor costs that support voice services.

The SAP fee is derived from dividing *Total Estimated SAP Costs* by *Total Estimated Number of SAP Users*. The SAP user fee includes the estimated cost of IT application support plus hardware, software and associated labor and contractor costs that support SAP.

The other platform fees are derived from dividing *Total Estimated Platform Costs* by *Total Estimated Amount of Platform Usage*. A separate platform fee is used for each of the following products: Windows operating systems, UNIX operating systems, backup servers and processing servers. Other platform costs include the cost of servers and operating systems and associated labor, contractors and other expenses used to support PHI's computer operations.

#### 4. Vehicle Costs

Operating and maintenance costs of owned and leased vehicles are directly charged to cost objects based on monthly and hourly vehicle rates. The rate includes the estimated cost of depreciation and vehicles leases, fuel, fees and licenses, contractor costs, associated labor and other costs of the Vehicle department.

The monthly rates are derived by dividing the *Total Estimated Transportation Costs by Vehicle Class* by *Total Estimated Number of Vehicles per Class*.

The hourly rates are derived by dividing the monthly rates by the average estimated monthly available hours.

#### 5. Employee Service Costs

Employee service costs are directly charged from PHI Service Company to resource cost centers based on a per employee fee. There are two types of employee

service costs: the administration of benefits and the administration of payroll. The rates include labor and other resource costs.

The HR employee service rate is derived from dividing *Total Estimated HR Benefits Administration Costs* by *Total Estimated Number of Employees Serviced by HR Benefits Administration*.

The Payroll employee service rate is derived from dividing *Total Estimated Payroll Administration costs* by *Total Estimated Number of Employees Serviced by the Payroll Department*.

## 6. Materials and Stores

The material and stores overhead rates are applied to materials procured from the Store Room Procurement and Materials Management department. The overhead is directly charged to the cost object which was charged for the related material. The amount of storeroom handling and procurement costs charged is equal to the overhead rate multiplied by the cost of the materials. There are three types of material overhead rates; Stores, Direct Ship and HULV (High Usage Low Volumes). The Stores overhead charge, in limited instances, produces an inter-affiliate charge if the Company issued the material is different from the Company in which it was inventoried. Both the Direct Ship and HULV overhead rates are used to distribute costs within the Company of the related store room and do not produce an inter-affiliate charge.

The Stores overhead rate applied to materials inventoried within the store room for Pepco, DPL and ACE is derived by dividing each company's *Total Estimated Storeroom and Procurement Cost* by *Total Estimated Storeroom Materials Issued*. The overhead represents the costs of labor, contractors and other costs associated with operating the storerooms and the procurement of the materials.

The Direct Ship overhead rate applied to materials directly shipped to job locations, which are not placed in inventory, for Pepco, DPL and ACE is derived by dividing each company's *Total Estimated Procurement Cost* by *Total Estimated Materials Procured and Not Inventoried*. The overhead represents the cost of labor, contractors and other costs associated with the procurement of the materials.

The HULV overhead rate applied to materials inventoried within the store room for Pepco, DPL and ACE is derived by dividing each company's *Total Estimated Cost of Nuts, Bolts and Other Minor Items* by *Total Estimated Storeroom Materials Issued*. The overhead represents the costs of high usage low volume items which are not tracked in inventory.

## TIME REPORTING

PHI's policy is that, to the extent practicable, employees shall direct charge their time in half hour increments to the appropriate cost objects (i.e., cost center, order, or

project). The following guidelines are provided to ensure accurate and efficient time keeping by employees of PHI:

1. Employees, or designated time administrators, should enter employee time daily into the time reporting system. If this is not practical, the employee should manually prepare time records, and the employee or time administrator should enter this data before the end of the time period (i.e., either weekly or semi-monthly depending on pay period of employee).
2. In no event should time entry be delayed past the end of the pay period.
3. Employees should keep track of time at a minimum of half hour increments.
4. Employee time shall be approved by a supervisor or manager. In accordance with the operational and management policies of PHI, all managers are responsible for ensuring that costs, including labor, are appropriately charged based on the nature of the work performed.

#### **SECTION 4 - PHI SERVICE COMPANY COSTS**

PHI Service Company provides non-power goods and services at cost to PHI affiliates under a formalized service agreement. See Exhibit 1 for copies of the PHI service agreement. The service agreement provides a list of services that are provided by PHI Service Company and the methods of allocation used to charge affiliates for the cost of services that are not directly charged.

The PHI cost accounting principles and processes previously described in this CAM are applied to the accumulation and distribution of PHI Service Company costs. Further information regarding the process to accumulate and distribute PHI Service Company costs is provided below.

#### **PROCESS FOR COST ACCUMULATION**

To assist in the determination of specific types of services provided to PHI affiliates, the PHI Service Company is organized into distinct departments via the use of cost centers in the SAP accounting system. PHI Service Company uses a combination of resource, "B" billing, and product cost centers to accumulate costs.

Services provided by certain departments are beneficial to all PHI affiliates, while others support a specific group of affiliates. An example of a department which supports a specific group of affiliates would be PHI Service Company employees who provide shared customer services to DPL and ACE. In addition, within a department, costs could be further refined in the determination of the PHI affiliates that use their services. For example, the Tax Department is divided into a team that works specifically on regulated



affiliates and another which supports overall corporate matters. Lastly, under very limited circumstances, some PHI Service Company employees are dedicated to support a single affiliate. Under all these circumstances there is a targeted allocation of costs to an affiliate or group of affiliates supported by the cost center.

Both direct and indirect costs are accumulated in each PHI Service Company resource cost center. Direct costs include such items as wages, employee memberships, materials, and office supplies. Indirect costs include such items as employee benefits, payroll taxes, pension, and OPEB benefits, as well as vehicle costs, occupancy costs, common IT services (phone, SAP, network access, workstation), and employee service costs (benefit administration and payroll processing costs). The concept is to accumulate, or pool, costs in each cost center that represent the total cost incurred by the department to provide services to PHI affiliates.

Billing and product cost centers are also key mechanisms in the cost accumulation process. Billing cost centers assist in the proper accounting for PHI Service Company charges in the affiliate's books and records. This is important to ensure costs are distributed from PHI Service Company to the proper affiliates and FERC accounts. For example, accounting for "below the line" costs paid by PHI Service Company.

## PROCESS FOR COST DISTRIBUTION

Costs incurred by PHI Service Company providers are fully distributed each month to PHI affiliates. However, income taxes are usually distributed on a one-month lag. The distribution of costs is achieved via a combination of direct charging and allocations. Direct charges of labor and indirect costs (such as occupancy, IT, HR, and Payroll) are based on fully costed activity type prices, which avoids the need for additional overheads to be applied in the receiver cost object. When costs are directly charged to a PHI affiliate, PHI Service Company is credited, thus reducing residual costs that remain at month-end to be allocated to affiliates.

Allocations of residual costs are based on the allocation methods defined for each PHI Service Company provider in the service agreement. Allocation methods used by PHI Service Company are based on a causal relationship to the service, when possible. However, causal relationships may be difficult to define for governance groups and other activities that have no clear causal relationship for cost charged to the affiliates. In those situations, a general allocator is used. The use of a general allocator is considered to be a proxy for the relative size of each affiliate company as well as the operating activities that support the affiliate.

The distribution of costs accumulated in PHI Service Company resource and product cost centers is achieved by a combination of direct charging and allocations, while the distribution of cost accumulated in billing and "B" cost centers is achieved by allocations. The distribution process for each of these cost center types is largely driven by the nature of the underlying purpose of each.

PHI Service Company costs charged to affiliate companies, whether via direct charges or allocations, generate intercompany receivables and payables that are posted on both PHI Service Company's and the affiliate companies' general ledgers. No manual journal entries are posted by accounting staff in either company to record the receivable/payable.

When costs are charged from the PHI Service Company to affiliate companies through either direct charges or allocations, unique account numbers are used to describe the types of services being provided. Thus, the break-down of services into departments and cost centers noted under the Process for Cost Accumulation above is retained in the Cost Distribution process, such that SAP financial reports can reflect the nature of services provided by PHI Service Company. This refinement of report descriptions aids in the review of costs charged into the affiliate companies when analysts are reviewing monthly results.

#### COSTS CHARGED TO PHI SERVICE COMPANY BY AFFILIATES

In certain situations PHI Service Company is not the provider of services due to assets being owned by the utilities, such as buildings, vehicles and inventory. As a result, the related costs of these assets including leases, vehicle costs, and stores procurement and handling overheads are charged by the utilities to PHI Service Company. In addition, other direct charges or allocations associated with support services provided from EBSC will be charged to PHI Service Company. In these situations, PHI Service Company may be a receiver of costs, although such costs will then be charged back to the affiliates on whose behalf the service was provided. These costs are initially recorded on the providing affiliates' books and then charged to PHI Service Company based on a lease agreement or proportionate usage of such goods and services by PHI Service Company. These costs are included in PHI Service Company's costs which are then direct charged or allocated to the PHI affiliates.

In addition, on a limited basis, a Non-PHI Service Company employee may perform shared services on behalf of multiple affiliates. The amount of time worked on the shared service is direct charged to a specific cost object in PHI Service Company using a fully costed price. This charge is billed back to the affiliates on whose behalf the service was provided. For example, a PEPCO engineer leads a project to review engineering processes across all PHI's utilities. The employee's shared time on the project will be directly charged to PHI Service Company and allocated back to the three utilities.

## SECTION 5 – OTHER CROSS COMPANY CHARGES BETWEEN AFFILIATES

There are limited cross-company charges where costs must be direct charged, allocated, or assigned by a legal entity other than the PHI Service Company or EBSC. For these limited instances, costs will be direct charged out of the provider affiliate into the receiving affiliate, directly assigned into the receiving affiliate, or allocated based on the affiliates usage, and an intercompany receivable and payable will be generated on each affiliate's books. Examples of these types of transactions include: labor related services, occupancy costs, issuance of materials from store rooms, use of vehicles, and payment of invoices.

### 1. Labor Related Services

On a limited basis, an employee of an affiliate may perform services on behalf of another affiliate. The amount of time worked for the affiliate is direct charged to the receiving affiliate based on a fully costed employee hourly price, which avoids the need for additional overheads to be applied in the receiving company.

### 2. Materials

Pepco, DPL, and ACE, on a limited basis, may provide and charge materials to other affiliates. Direct charges for materials issued from inventory, used on behalf of an affiliate, are charged to the affiliate based on a weighted average cost of the inventory unit. In addition to charging material costs, a stores stock overhead (as described in Section 3 – Cost Accounting Process, “Overhead Costs”) is also applied and charged to the affiliate.

### 3. Vehicles

Vehicles in the Pepco, DPL, and ACE fleet departments may be used by another affiliate. Direct charges for vehicle usage are charged to the affiliate based on the vehicle rate (as described in Section 3 – Cost Accounting Process, “Overhead Costs”) for the particular class of vehicle used.

### 4. Occupancy Costs

Occupancy costs are allocated from building owner or lessee to each affiliate based on the proportion of occupied space utilized by the affiliate (as described in Section 3 – Cost Accounting Process, “Overhead Costs”).

### 5. Payment of Invoices

Invoices for the procurement of goods and services for more than one PHI affiliate are normally paid through PHI Service Company as a convenience payment. In the event that an affiliate pays an invoice that includes items for the procurement of

goods and services for other affiliates, the cost is directly assigned and charged to a cost object in the other affiliate. An intercompany posting is generated to recognize a receivable on the general ledger of the affiliate paying the invoice, and a corresponding payable on the general ledger of the affiliate for which payment was made.

#### 6. Mutual Assistance

PHI utilities may be provided or provide mutual assistance to/from PECO, ComEd, or BGE pursuant to existing American Gas Association (AGA) and Edison Electric Institute (EEI) mutual assistance agreements.

#### 7. Other Regulated Energy Related Agreements

EXGEN may be one of the wholesale suppliers to PHI's utilities. In addition, other regulated energy-related transactions may occur between affiliated utilities. The related cost is priced at market or other regulatory approved price.

Additionally, Pepco Holdings Utilities have agreements as joint owners of transmission system assets. The joint owners each receive their proportionate share of costs and investment returns.

# Exhibit 1

## 2<sup>nd</sup> SERVICE AGREEMENT EXTENSION AND MODIFICATION

This 2<sup>nd</sup> Service Agreement Extension and Modification (this “2<sup>nd</sup> Extension”) is effective the 1<sup>st</sup> day of January, 2016 (the fifth anniversary of the effective date of the Service Agreement Extension and Modification effective January 1, 2011 (the “1<sup>st</sup> Extension”)) to the Service Agreement effective January 1, 2006 (the “Service Agreement”), by and between PHI Service Company, a Delaware corporation and a mutual service company (the “Service Company”) and the associate companies (the “Client Companies”), which are parties to the Service Agreement and are comprised of Pepco Holdings, Inc., a utility holding company, and certain of its subsidiaries.

WHEREAS, Section 3.1 of the Service Agreement provides that upon each five-year anniversary of the Service Agreement, the parties may extend the Service Agreement, with or without modifications, for an additional five years by mutual written agreement to such an extension; and

WHEREAS, January 1, 2016 is the five-year anniversary date of the 1<sup>st</sup> Extension for all parties to this 2<sup>nd</sup> Extension and all of the parties hereto wish to extend the Service Agreement for an additional five years; and

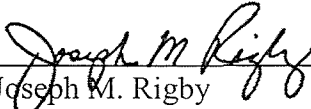
WHEREAS, all of the parties to this 2<sup>nd</sup> Extension wish to make minor modifications to Appendix A and Appendix B to the Service Agreement;

NOW, THEREFORE, the parties hereto hereby agree to extend the Service Agreement pursuant to the terms of Section 3.1 thereof, for an additional period of five years until January 1, 2021, and all parties hereto hereby agree to the following, including the modifications set forth below, as permitted by Section 3.1 of the Service Agreement:

1. Minor clarifying and formatting modifications have been made to Appendices A and B of the Service Agreement; therefore, Appendix A to the Service Agreement is hereby deleted in its entirety and replaced with Appendix A attached hereto; and Appendix B to the Service Agreement is hereby deleted in its entirety and replaced with Appendix B attached hereto.
2. All of the terms of the Service Agreement that are not expressly modified hereby and by the 1<sup>st</sup> Extension shall continue in full force and effect. The Service Agreement, as hereby extended, and as modified hereby and by the 1<sup>st</sup> Extension, shall apply to any Client Companies that may in the future execute the Service Agreement.
3. This 2<sup>nd</sup> Extension may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. For purposes hereof, a facsimile or .pdf copy of this 2<sup>nd</sup> Extension, including the signature pages hereto, shall be deemed to be an original.

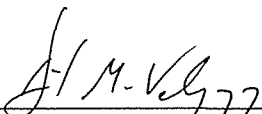
IN WITNESS WHEREOF, the parties hereto have caused this 2<sup>nd</sup> Extension to be executed as of the date and year first above written.

**PHI SERVICE COMPANY**

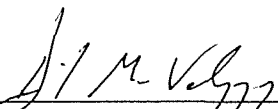
By:  \_\_\_\_\_  
Joseph M. Rigby  
Chairman, President &  
Chief Executive Officer

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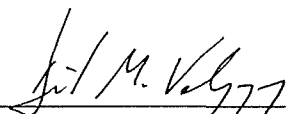
**PEPCO HOLDINGS, INC.**

By:   
David M. Velazquez  
Executive Vice President

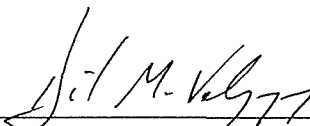
**DELMARVA POWER & LIGHT COMPANY**

By:   
David M. Velazquez  
President & Chief Executive Officer

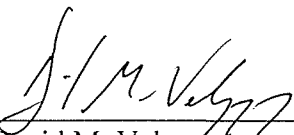
**ATLANTIC CITY ELECTRIC COMPANY**

By:   
David M. Velazquez  
President & Chief Executive Officer

**POTOMAC ELECTRIC POWER COMPANY**

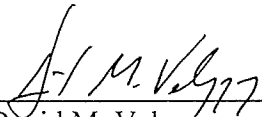
By:   
David M. Velazquez  
President & Chief Executive Officer

**ATLANTIC CITY ELECTRIC TRANSITION  
FUNDING, LLC**

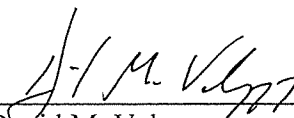
By:   
David M. Velazquez  
Chairman, President &  
Chief Executive Officer



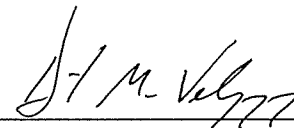
**CONECTIV SERVICES, INC.**

By:   
David M. Velazquez  
Chairman, President, &  
Chief Executive Officer

**CONECTIV COMMUNICATIONS, INC.**

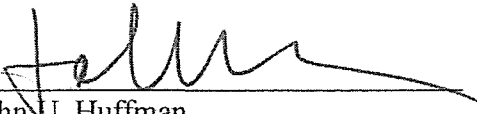
By:   
David M. Velazquez  
Chairman, President, &  
Chief Executive Officer

**CONECTIV PROPERTIES AND INVESTMENTS,  
INC.**

By:   
David M. Velazquez  
Chairman, President, &  
Chief Executive Officer

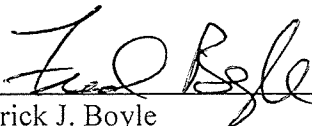
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**PEPCO ENERGY SERVICES, INC.**  
(on behalf of itself & its subsidiaries)

By:   
John J. Huffman  
President & Chief Executive Officer

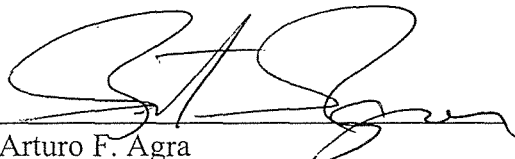
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CONNECTIV, LLC


By:   
Frederick J. Boyle  
Senior Vice President,  
Chief Financial Officer &  
Chief Risk Officer

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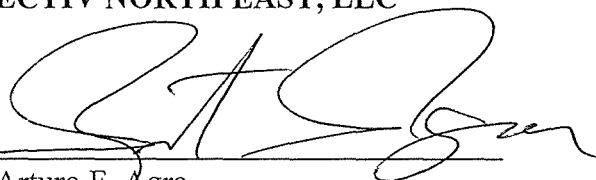
**CONECTIV ENERGY SUPPLY, INC.**

By:   
Arturo F. Agra  
President, Chief Executive Officer &  
Chief Financial Officer

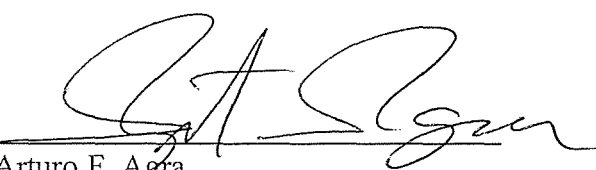
**DELAWARE OPERATING SERVICES COMPANY,  
LLC**

By:   
Arturo F. Agra  
President & Chief Executive Officer


**CONECTIV NORTH EAST, LLC**

By:   
Arturo F. Agra  
President

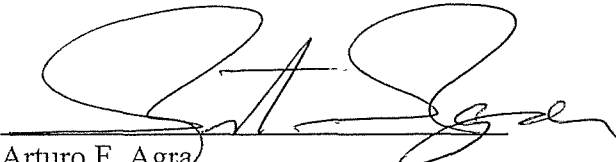
**ATLANTIC SOUTHERN PROPERTIES, INC.**

By:   
Arturo F. Agra  
President & Chief Executive Officer

**ATLANTIC GENERATION, INC.**  
(on behalf of itself & its subsidiaries)

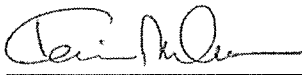
By:   
Arturo F. Agra  
President

**CONECTIV SOLUTIONS LLC**

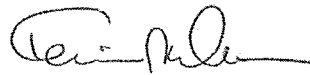
By:   
Arturo F. Agra  
President

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ATE INVESTMENT, INC.

By:   
\_\_\_\_\_  
Kevin M. McGowan  
President & Chief Financial Officer

POTOMAC CAPITAL INVESTMENT  
CORPORATION  
(on behalf of itself & its subsidiaries)

By:   
\_\_\_\_\_  
Kevin M. McGowan  
President & Chief Executive Officer

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**CONECTIV THERMAL SYSTEMS, INC.**

By: Mark S. Kumm  
Mark S. Kumm  
President

**ATLANTIC JERSEY THERMAL SYSTEMS, INC.**

By: Mark S. Kumm  
Mark S. Kumm  
President

**ATS OPERATING SERVICES, INC.**

By: Mark S. Kumm  
Mark S. Kumm  
President

**THERMAL ENERGY LIMITED PARTNERSHIP I**

By: Atlantic Jersey Thermal Systems, Inc  
its General Partner

By: Mark S. Kumm  
Mark S. Kumm  
President

## SERVICE AGREEMENT

(As Modified By The Service Agreement Extension and Modification Effective As Of January 1, 2011 And The 2<sup>nd</sup> Service Agreement Extension and Modification Effective As Of January 1, 2016)

This Service Agreement, effective as of the 1<sup>st</sup> day of \_\_\_\_\_, is made by and between PHI Service Company, a Delaware corporation and a mutual service company (the "Service Company"), and (Company Name) an associate company of the Pepco Holdings, Inc. system (the "Client Company" and collectively with other associate companies that have or may in the future execute this form of Service Agreement, the "Client Companies").

### WITNESSETH

WHEREAS, the Service Company and the Client Companies have entered into this Service Agreement whereby the Service Company agrees to provide and the Client Companies agree to accept and pay for various services as provided herein, and as a result of which the Service Company fairly and equitably allocates costs among all associate companies to which it renders services; and

WHEREAS, economies and efficiencies benefiting the Client Companies will result from the performance by the Service Company of the services as herein provided:

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties to this Service Agreement covenant and agree as follows:

### ARTICLE I - SERVICES

Section 1.1. The Service Company shall furnish to the Client Company, as requested by the Client Company, upon the terms and conditions hereinafter set forth, such of the services described in Appendix A hereto (as such may be amended from time to time) at such times, for such periods and in such manner as the Client Company may from time to time request and which the Service Company concludes it is equipped to perform. The Service Company shall also provide the Client Company with such special services, in addition to those services described in Appendix A hereto, as may be requested by the Client Company and which the Service Company concludes it is equipped to perform. In supplying such services, the Service Company may arrange, where it deems appropriate, for the services of such experts, consultants, advisors and other persons with necessary qualifications as are required for or pertinent to the provision of such services.

Section 1.2. The Client Company shall take from the Service Company such of the services described in Section 1.1 and such additional general or special services, whether or not now contemplated, as are requested from time to time by the Client Company and which the Service Company concludes it is equipped to perform.

Section 1.3. The services described herein shall be directly assigned, directly charged or allocated by activity, project, program, work order or other appropriate basis. The Client Company shall have the right from time to time to amend, alter or rescind any activity, project



program or work order provided that (i) any such amendment or alteration which results in a material change in the scope of the services to be performed or equipment to be provided is agreed to by the Service Company, (ii) the cost for the services covered by the activity, project, program or work order shall include any additional expense incurred by the Service Company as a direct result of such amendment, alteration or rescission of the activity, project, program, or work order, and (iii) no amendment, alteration or rescission of an activity, project, program, or work order shall release the Client Company from liability for all costs already incurred by the Service Company pursuant to the activity, project, program, or work order, regardless of whether the services associated with such costs have been completed.

## **ARTICLE II - COMPENSATION**

Section 2.1. As compensation for the services to be rendered hereunder, the Client Company shall pay to the Service Company all costs which reasonably can be identified and related to particular services performed by the Service Company for or on the Client Company's behalf, such costs to be determined in accordance with the cost accounting manual for the Pepco Holdings, Inc. system and applicable rules and regulations, including the regulations of the Federal Energy Regulatory Commission ("FERC") regarding the Uniform System of Accounts for Centralized Service Companies. Where more than one Client Company is involved in or has received benefits from a service performed, costs will be directly assigned, directly charged or allocated, as set forth in Appendix A hereto, between or among such companies on a basis reasonably related to the service performed.

Section 2.2. It is the intent of this Service Agreement that the payment for services rendered by the Service Company to the Client Companies under this Service Agreement shall cover all the costs of its doing business (less the cost of services provided to associated companies not a party to this Service Agreement and other non-associated companies), including but not limited to, salaries and wages, office supplies and expenses, outside services employed, insurance, injuries and damages, employee benefits, miscellaneous general expenses, rents (including property leased from Client Companies for use by the Service Company), maintenance of structures and equipment, depreciation and amortization, and compensation for use of capital.

Section 2.3. The method of assignment, charge or allocation of costs described in Appendix A shall be subject to review annually, or more frequently if appropriate. Such method of assignment, distribution or allocation of costs may be modified or changed by the Service Company upon the express approval of the modification by each affected Client Company without the necessity of an amendment to this Service Agreement provided that in each instance, costs of all services rendered hereunder shall be fairly and equitable assigned, distributed or allocated, and notice of such change is provided to the Client Company.

Section 2.4. The Service Company shall make available a monthly statement to the Client Company that shall reflect the billing information necessary to identify the costs charged for that month. By the end of the month following billing, the Client Company shall remit to the Service Company all charges billed to it. Monthly charges may be billed on an estimated basis,

but adjustments will be made within ninety (90) days to assure that billings are in accord with Sections 2.1 and 2.2 above.

### **ARTICLE III - TERM**

Section 3.1. This Service Agreement shall become effective as of the day above written, and shall continue in force until January 1, 2021, or until terminated by either party upon no less than ninety (90) days' prior written notice to the other party. As of January 1, 2021, or upon each five (5) year anniversary of this agreement thereafter, the parties may extend this agreement, with or without modifications, for an additional five (5) years by mutual written agreement to such modification and/or extension. This Service Agreement shall also be subject to termination or modification at any time, without notice, if and to the extent performance under this Service Agreement may conflict with any rule, regulation or order of the FERC or any other regulatory body with jurisdiction over the Service Company or the Client Company adopted before or after the date of this Service Agreement.

### **ARTICLE IV - MISCELLANEOUS**

Section 4.1. All accounts and records of the Service Company shall be kept in accordance with the Uniform System of Accounts for Centralized Service Companies promulgated by the FERC.

Section 4.2. Other existing subsidiaries and new direct or indirect subsidiaries of Pepco Holdings, Inc. that may come into existence after the effective date of this Service Agreement may become additional Client Companies (collectively, the "New Client Companies") subject to this Service Agreement by execution of this form of agreement, as it may be amended at that time. In addition, the parties hereto upon the express approval of each affected Client Company shall make such changes in the scope and character of the services to be rendered and the method of assigning, charging or allocating costs of such services among the Client Companies and the New Client Companies under this Service Agreement as may become necessary.

Section 4.3. The Service Company shall permit the Client Company access to its accounts and records, including the basis and computation of allocations.

Section 4.4. This Service Agreement and any amendments hereto shall not be effective until any necessary regulatory approvals have been obtained.

IN WITNESS WHEREOF, the parties hereto have caused this Service Agreement to be executed as of the date and year first above written.

PHI Service Company

By: \_\_\_\_\_

(Company Name)

By: \_\_\_\_\_

(President)

(title)

This appendix describes (i) the Policies and Procedures (see pages 7-11) to be used to accumulate costs of Service Company services and (ii) the methodologies used to assign or allocate such costs to Client Companies. Definitions of the ratios are provided in Appendix B. The Service Company may provide to associate Client Companies the following services, which may be used by the Client Company:

I. Executive Management

- a. The Executive Management function includes officers of Pepco Holdings, Inc. and PHI Service Company that advise and assist Client Companies on corporate matters such as operations, the issuance of securities, proposals for capital expenditures, budgets, financing, acquisition and disposition of properties, expansion of business, rate structures, public relationships and other corporate matters. The Executive Management function includes the services of the Chairman, CEO, Corporate Secretary, Senior VP and CFO, Senior VP and General Counsel, Controller, Treasurer, Chief Risk Officer, Senior VP External Affairs, President and CEO, Pepco Energy Services, supporting staff and other members of the senior management team as deemed appropriate and not covered in one of the functions below.
- b. To the extent possible, services will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. Services that are not direct charged will be accumulated in Cost Centers. Costs that are not directly charged will be allocated based on the Two Factor Ratio.

II. Procurement and Administrative Services

- a. The Procurement and Administrative Services functions provide security, including asset protection and investigative services; storeroom procurement and materials management; vehicle resource management, including company vehicle maintenance; mail, records retention management and reprographic services; general services, including strategic sourcing, supplier diversity, supply chain, management and other office services; building services, including facilities management and building maintenance; conference center usage; and real estate services, including right-of-way.
- b. To the extent practicable, services will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. Services that are not direct charged will be accumulated in Cost Centers. Costs that are not directly charged will be allocated based on the following ratios:
  1. security - Labor \$ Ratio
  2. storeroom procurement and materials management - Materials Stock Issued Ratio
  3. vehicle resource management - Vehicle \$ Ratio
  4. general services - Two Factor Ratio
  5. building services (facilities cost) - Square Footage Ratio (\*)
  6. real estate services - Real Estate Investment Ratio

7. conference center usage – Employee Ratio (\*\*)
8. mail, records retention management and reprographic services – Employees by Building Ratio

\* - The costs associated with unoccupied space in buildings owned or leased by PHI Service Company will be allocated based on the Service Company Bill Ratio.

\*\* - The Conference Center is used by employees of PHI Service Company as well as employees of other PHI affiliates. The portion of the costs related to usage by PHI Service Company employees will be allocated based on the Service Company Bill Ratio.

### III. Financial Services and Corporate Expenses

- a. The Financial Services and Corporate Expense function includes financial services such as accounts payable; payroll accounting services; asset and project accounting services; other financial services, including corporate and strategic planning, budgeting, treasury and finance, risk management, cash management, financing, funded plans administration, investor relations, shareholder services, financial and tax accounting services, regulatory affairs and Sarbanes Oxley compliance oversight; salary accruals; and other corporate expenses, including interest and general fees.
- b. To the extent practicable, services will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. Services that are not direct charged will be accumulated in Cost Centers. Costs that are not directly charged will be allocated based on the following ratios:
  1. accounts payable - Transactions Processed Ratio
  2. payroll accounting services – Employees Paid Ratio (\*)
  3. asset and project accounting services - Gross Property, Plant & Equipment Ratio
  4. all other financial services - Two Factor Ratio
  5. salary accruals – Two Factor Ratio
  6. other corporate expenses – Service Company Bill Ratio

\* - The portion of costs associated with payroll accounting services provided for employees of PHI Service Company will be allocated based on the Service Company Bill Ratio.

### IV. Insurance Coverage and Services

- a. Insurance Coverage and Services includes coverage for property, general liability, directors and officers, vehicle, and miscellaneous insurance premiums and claims; and insurance and claims administration services.

b. To the extent practicable, services will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. Services that are not direct charged will be accumulated in Cost Centers. Costs that are not directly charged will be allocated based on the following ratios:

1. property insurance - Gross Insured Property, Plant & Equipment Ratio (\*)
2. general liability insurance - Labor \$ Ratio
3. directors and officers insurance - Two Factor Ratio
4. vehicle insurance – Vehicle \$ Ratio
5. insurance administration services – Two Factor Ratio
6. miscellaneous insurance - Two Factor Ratio
7. claims administration services – Historical Claims Ratio

\* - The portion of costs associated with insurance provided for property of PHI Service Company will be allocated based on the Service Company Bill Ratio.

#### V. Human Resources

a. The Human Resources function provides compensation and benefit services; personnel, employment and staffing; diversity, employee/labor relations; skills training and management development; performance improvement; and organizational development.

b. To the extent practicable, services will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. Services that are not direct charged will be accumulated in Cost Centers. Costs that are not directly charged will be allocated based on the following ratios:

1. cost of benefits - To the extent practicable, each Client Company will be directly charged their cost of employee benefits. Employee benefit costs that cannot be directly charged to Client Companies will be allocated based on the Employee Ratio.
2. executive compensation services - Two Factor Ratio
3. all other human resources services - Employee Ratio (\*)

\* - The portion of costs associated with human resources services provided for employees of PHI Service Company will be allocated based on the Service Company Bill Ratio.

#### VI. Legal Services

a. The Legal Services function provides legal counsel related to general corporate issues.

b. To the extent practicable, services will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. Services that are not direct charged will be accumulated in Cost Centers. Costs that are not directly charged will be allocated based on the Historical Legal Direct Labor Charge Ratio.

Legal services are often provided for other functions within PHI Service Company, such as the review of consolidated financial reports and employee relations, these services will be charged to the appropriate Service Company Cost Center. The Cost Center will be allocated to Client Companies based on the approved ratio for the function billed.

VII. Audit Services

- a. The Internal Audit Services function provides audit services related to general corporate issues.
- b. To the extent practicable, services will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. Services that are not direct charged will be accumulated in Cost Centers. Costs that are not directly charged will be allocated based on the Two Factor Ratio.

VIII. Customer Services

- a. The Customer Services function includes customer service centers, billing, credit and collections, cash remittance processing, administrative and technical support, quality assurance and training, metering services and systems, customer energy efficiency programs, customer systems, the Special Billing group and other customer related activities. The Special Billing group provides billing of non-energy materials and services.
- b. To the extent practicable, services will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. Services that are not direct charged will be accumulated in Cost Centers. Costs that are not directly charged will be allocated based on the following ratios:
  1. special billing - Special Bills Ratio
  2. all other customer services - Customer Ratio

IX. Information Technology

- a. The Information Technology function provides employee labor, contractors, and other operating support of voice and information technology services which currently include the following; telephone and related items; infrastructure and application systems and support, including desktops, network, SAP and other systems; operating and mainframe systems; storage systems; and other IT support, including technology solutions and information management, applications delivery and support, data administration, security, help desk, consulting, business technology management, support for non-mainframe, non-network systems, miscellaneous infrastructure and applications and general management and administration.

- b. To the extent practicable, service costs will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. Services that are not direct charged will be accumulated in Cost Centers and allocated as follows:
  - 1. telephone and related items – Telephone Ratio
  - 2. infrastructure and application systems and support – End User Ratio
  - 3. mainframe and operating systems – CPU Capacity Ratio
  - 4. storage – Data Storage Ratio
  - 5. other IT Services – Two Factor Ratio

IT services and systems are often provided specifically to other functions within PHI Service Company, such as the Customer Billing System, these services/systems will be charged to the appropriate Service Company Cost Center. The cost center will be allocated to Client Companies based on the approved ratio for the function billed.

X. External Affairs

- a. The External Affairs function includes; general corporate communications such as, employee communications, general corporate advertising/branding; corporate contributions; governmental affairs which involve developing and maintaining relationships with federal and state government institutions and community officials, including lobbying and other activities; and utility customer communications, such as informational and instructional advertising.
- b. To the extent practicable, services will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. Services that are not direct charged will be accumulated in Cost Centers. Costs that are not directly charged will be allocated as follows:
  - 1. utility customer communications – Customer Ratio
  - 2. all other External Affairs – Two Factor Ratio

XI. Environmental Services

- a. The Environmental Services function includes oversight of environmental concerns related to air, water, land and waste, as well as compliance with relevant regulations.
- b. To the extent practicable, services will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. Services that are not direct charged will be accumulated in Cost Centers. Costs that are not directly charged will be allocated based on the Two Factor Ratio.

XII. Safety Services

- a. The Safety Services function includes reporting and compliance with safety regulations, and oversight of corporate safety awareness programs.



- b. To the extent practicable, services will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. Services that are not direct charged will be accumulated in Cost Centers. Costs that are not directly charged will be allocated based on the Two Factor Ratio.

### XIII. Regulated Electric and Gas Services

- a. The Regulated Electric and Gas Services function includes the following electric and gas delivery services: system operations services; meter maintenance and testing; power procurement and energy planning; and other delivery services, including delivery senior management, asset management, financial analysis, engineering standards, interconnection planning and arrangements, distributions and transmission planning, value added services, engineering services for distribution, substation and transmission, system protection, drafting and construction management, electric maintenance, administrative support, forestry, process improvement, training, performance analysis, benchmarking, and enabling systems.
- b. To the extent practicable, services will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. Services that are not direct charged will be accumulated in Cost Centers. All costs that are not direct charged will be allocated based on the following ratios:
  - 1. system operations services - Kwh Output Ratio\*
  - 2. meter maintenance and testing services - Kwh Output Ratio\*
  - 3. power procurement and energy planning – Kwh Output Ratio
  - 4. other delivery services - Two Factor Ratio\* - (see Appendix B for gas conversion factor).

### XIV. Internal Consulting Services

- a. The internal consulting services function will provide consulting in areas such as the alignment of people, processes and technologies with a goal of improving productivity and reducing costs for a business line or shared service department.
- b. To the extent practicable, services will be directly charged using a standard rate per hour or unit, as described in the Policies and Procedures found on pages 7-11 of Appendix A. This may include charges to other Service Company departments when they are a client. Any such charges within the Service Company will be included in those functions billed to Client Companies. Services that are not direct charged will be accumulated in Cost Centers. Costs that are not directly charged will be allocated to Client Companies based on the Two Factor Ratio.

## Policies and Procedures

### General

Service Company will provide services to Client Companies in accordance with the terms of the Service Agreement.

### Service Level Standards

Annually, as part of the corporate budgeting process, a budget will be prepared for the services that will be provided to the Client Companies by each of the shared service providers during the next calendar year. The budgets will include assumptions around direct charging for services. Budgeted costs not directly charged will be allocated on a monthly basis in the budget in accordance with the approved costing methodologies utilized on an actual basis. The budget information is processed in the management information system and is available for review by employees of the Client Companies. The budget targets are set by senior management and the final budget is approved by the Board of Directors. The budget process provides each Client Company with service level standards and sets expectations which can be used during the following year to compare actual Service Company performance against these expectations.

### Cost Management

Service Company will maintain a cost management information system that allows it to accumulate costs via cost objects. Cost objects are collection tools and include: Orders, Projects, and Cost Centers. Orders and Projects constitute a work order system for charging costs to specific jobs. These tools collect costs for a limited amount of time and either transfer the dollars to a cost center, if they are an expense, or to an asset and/or balance sheet account for capitalized costs. Cost Centers collect costs at the resource or product level and are the final receiver of expenses collected in Orders as described above. This system supports the philosophy of separating costs by business group and legal entity on a fully costed basis. Service Company will use this system to maintain an accounting system to record all costs of operations.

The cost of work performed by the Service Company will be collected in Orders, Projects and Cost Centers. Time records and expense statements will be used to track resource consumption. Labor related costs collect in cost objects referred to as resource cost centers and are expected to be the most significant costs for the Service Company. To the extent practicable, the Service Company employees shall be required to direct-charge their time to an appropriate cost object through the time reporting system. The following guidelines are provided to ensure accuracy and efficient time keeping by Service Company employees:

1. Time should be entered daily into the appropriate time reporting system. If this is not practical, the employee should prepare manually prepared time records, substantiating later electronic time entry.
2. In no event should time entry be delayed past the end of the pay period.
3. Employees should keep track of time in one-half hour increments.
4. Employee time shall be approved in accordance with the Companies' policies.

Costs will be charged to Client Company Cost Centers, Orders or Projects as work is performed and costs are incurred. The Controller's Department is responsible to ensure that all of the billing methodologies are consistent with the Service Agreement. The establishment of cost objects within the cost management information system for use by the Service Company will be strictly controlled by the Controller's Department. The Controller's Department will ensure that all cost objects have been authorized by the appropriate Service Company department.

Service Company will use a standard costing system. Resource cost centers collect the actual costs of labor and related costs. As products or services are provided by the Service Company cost centers, the services are directly charged to Orders, Projects or other Cost Centers at standard rates. Standard rates, which are calculated at least annually, are based upon anticipated resource costs and activity levels, e.g. available hours to perform work. Any residual amounts or costs that cannot be practicably direct billed remain in the resource cost center to be allocated to Client Companies on an appropriate basis, as defined in the Service Agreement. The amount billed to the Client Company is charged to Client Company Orders, Projects and Client Cost Centers created to collect the costs of the services provided to that company.

The Service Company uses cost allocation methods designed to fully distribute costs. The Service Company will have a tiered approach to billing Client Companies comprised of the following steps:

- A. Direct Assignment:  
Non-labor costs which benefit specific Client Companies will be directly assigned to the specific Client Companies whenever feasible. Costs which are directly assigned to a Client Company are not costs of the Service Company and therefore are not included in the amounts billed.
- B. Direct Charges:  
Labor related services consumed for an Order, Project or activity performed specifically for a Client Cost Center will be directly charged to that cost object at a standard rate per unit of labor. The standard rate includes direct costs such as labor, materials and supplies, and indirect expenses such as overhead costs for benefits and payroll taxes, vehicle costs, occupancy costs, and common IT services necessary for the employee to provide the service.

Certain Service Company costs, such as benefit and payroll administration, common IT services (network, phone, workstations, etc.), and building services consumed by Client Companies will be directly charged at a standard rate per unit of services. These rates are based upon anticipated costs and units of service, including expected occupied space (facilities), users (IT), and employees (benefit and payroll administration).

- C. Indirect Charges:
  - 1. Allocations: Costs accumulated that apply to all Client Companies or to a group of Client Companies, which have not been directly assigned or directly charged as described in A or B, above, will be allocated based on the allocation ratios defined in Appendix B. Allocation ratios will be recalculated by the Service Company at least annually. In some instances allocations related to a specific client company may be charged to that companies' parent company in order to reduce administrative burden. In

these cases, the raw data used to calculate the ratio to be allocated to the parent company includes the portion of the raw data of the subsidiary company. For example, when calculating the Two Factor ratio for the parent company, the O&M and Gross Property, Plant and Equipment amounts for the subsidiary will be added to the data of the parent company.

Statistical key figures (SKF's) are the specific ratios entered into the Service Company's accounting system. There may be multiple SKF's for one defined ratio depending on the specific Client Companies associated with a particular service allocated using the ratio. For example, there will be one SKF for the Two Factor ratio which allocates internal audit services to all Client Companies and a separate SKF to allocate internal audit services to the three utilities, if the audit relates only to the operations of those three companies. The raw data used for the utility companies in each SKF is the same. The only difference is the Client Companies receiving the charges for the services.

## 2. Service Company Cross Charges:

Certain Service Company overhead costs, such as the cost of benefits, purchasing and storeroom management, and other indirect costs, such as benefit and payroll administrative services, common IT services, and building services are charged to Service Company functions that utilize these services and are included in their standard rate for billing to Client Companies. These costs are charged using standard rates based upon anticipated expenses and units of service, e.g. expected salaries (benefits), square footage, etc. Any difference between the amount charged at the standard rates and the actual costs incurred for the month is charged to Client Companies based on the Service Company Bill Ratio.

In addition, information technology services and support for other Services Company functions caused by, labor strikes, storm contingency coverage, and other special projects, may be cross charged to another Service Company function. These charges are included in the amounts that these functions bill to Client Companies and will be allocated based on the approved allocation ratios defined in Appendix B. These situations require the approval of the Controller's department.

## Monitoring

The Controller's Department shall be responsible for reviewing, monitoring, and maintaining the process for the accumulation of Service Company costs charged to Client Companies, either through direct or indirect charges. In connection with the responsibility, the Controller's Department shall:

1. Process the annual budget to allocate shared service costs and Service Company cross-charges to Client Companies.
2. Control the establishment of all cost objects for billing Service Company charges.
3. Analyze the reasonableness of charges in the cost management information system.
4. Review and evaluate the reasonableness of the monthly bill to each Client Company.

The Controller's Department shall be responsible for updating all allocations used by the cost management information system. Supporting work papers will be maintained by the Controller's Department. The Controller's Department will be responsible to ensure that all allocations are proper, accurate, and current. Also, the Controller's Department shall be responsible for ensuring that the allocation methodologies are in accordance with the provisions of the System's cost accounting manual and the Uniform System of Accounts for Centralized Service Companies promulgated by the FERC, if applicable.

### Billing

The amounts billed by PHI Service Company will be available monthly through reports accessible within the accounting system. A hard copy of the bill will be available upon request. The Controller's Department shall be responsible for reviewing the monthly bills, as necessary, with the pertinent officers of the Client Companies, or their designees, who are responsible for approval of the bills upon request.

The monthly bills will contain the following information:

1. The Client Company.
2. The cost of each service billed to the Client Company.

The cost management information system will contain detailed information supporting each service charged to a Client Company. Furthermore, each Client Company cost center head and project manager is responsible for validating, in a timely manner, costs charged to their cost center or project, including amounts billed by the Service Company. This validation is a key component of Pepco Holdings, Inc.'s system of internal controls. Using the cost management information system, cost centers are able to drill down on all costs billed to them by the Service Company to determine the specifics of each cost. The Controller's Department will assist Client Company cost center managers, as necessary, to research and validate charges to their cost centers.

When an erroneous charge is discovered, the Controller's Department is responsible for correction of the error in a timely manner.

### Dispute Resolution

If there is a dispute between a Client Company and the Service Company concerning the appropriateness of an amount billed to a Client Company, the Controller's Department will meet with the appropriate representatives for the Client Company cost center and the Service Company to resolve the dispute. If the dispute cannot be resolved by the Controller's Department, the issue will be referred to the Chief Financial Officer of Pepco Holdings, Inc. for disposition.

### Internal Audit

The Internal Audit Department shall perform an audit of the Service Company billing process every two years. Computer systems, billings, and source documents will be examined to ensure on a test basis that the services provided are authorized, documented, and accurately recorded in the accounting records. The audits will include an examination of the Service Company allocation methods and the allocation factors used to ensure that they are in compliance with the

methodologies described in the Service Agreement. Also, the audits will evaluate the adequacy of the system of internal controls over the billing process and the reasonableness of each allocation methodology used to distribute costs to the Client Companies.

**Definition of Service Company Allocation Methods**

<u>Ratio Title</u>	<u>Ratio Description</u>
CPU Capacity Ratio	A ratio the numerator of which is the amount of CPU capacity used for a particular system within a Client Company, the denominator of which is the total amount of CPU capacity used by all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service).
Customer Ratio	A ratio the numerator of which is the number of customers served by a Client Company, the denominator of which is the total number of customers for all the Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service). Customers designated as both electric and gas, within the same company, will be assigned 50% to gas and 50% to electric for the purposes of this ratio calculation.
Data Storage Ratio	A ratio the numerator of which is the gigabytes of data storage space used for a particular system application, the denominator of which is the total gigabytes of data storage space used for all system applications (or specific system applications receiving the service allocated per this factor, if not all system applications are receiving the service).
Employee Ratio	A ratio the numerator of which is the number of employees of a Client Company, the denominator of which is the total number of employees for all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service).
Employees by Building Ratio	A ratio the numerator of which is the number of employees occupying each building receiving the service, the denominator of which is the total number of employees occupying all buildings receiving the service.
Employees Paid Ratio	A ratio the numerator of which is the number of employees paid through the Service Company's payroll system for a Client Company, the denominator of which is the total number of employees paid through the Service Company's payroll system for all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service).

End User Ratio	A ratio the numerator of which is the number of users of infrastructure or application systems within a Client Company, the denominator of which is the total number of users of infrastructure or application systems within all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service).
Gross Insured Property Plant & Equipment Ratio	A ratio the numerator of which is the total gross cost of insured property, plant and equipment in a Client Company, the denominator of which is the total gross cost of insured property, plant and equipment for all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service). Property, Plant and Equipment owned by PHI Service Company, which can not be attributed to a building, and consolidation adjustments not recorded on a specific company are excluded. Property which is insured, but not owned by an affiliate, will be included at its insured value.
Gross Property, Plant & Equipment Ratio	A ratio the numerator of which is the total gross cost of property, plant and equipment in a Client Company, the denominator of which is the total gross cost of property, plant and equipment for all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service). Property, Plant and Equipment owned by PHI Service Company and consolidation adjustments not recorded on a specific company are excluded.
Historical Claims Ratio	A ratio the numerator of which is the total claims expense of a Client Company, the denominator of which is the total claims expense for all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service).
Historical Legal Direct Labor Charge Ratio	A ratio the numerator of which is the amount of direct legal time charges to a Client Company for a twelve month period, the denominator of which is the total amount of direct legal time charges to all Client Companies using the service (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service) for a twelve month period. Direct time charges to PHI Service Company are excluded.



Kwh Output Ratio	A ratio the numerator of which is the number of kilowatt hours purchased and generated by a Client Company, the denominator of which is the total number of kilowatt hours purchased and generated by all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service).
Labor \$ Ratio	A ratio the numerator of which is the amount of labor dollars incurred by a Client Company for a twelve month period, the denominator of which is total labor dollars for all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service) for a twelve month period. Any labor dollars attributed to PHI Service Company will be excluded.
Materials Stock Issued Ratio	A ratio the numerator of which is the materials stock issuance from a Client Company store room, the denominator of which is the total materials stock issuances from all Client Company store rooms (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service).
O&M Ratio	A ratio the numerator of which is the total operations and maintenance (O&M) expense of a Client Company for a twelve month period, the denominator of which is the total operations and maintenance expense for all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service) for a twelve month period. Any affiliate whose total O&M expense is negative, the O&M of PHI Service Company, and O&M which is caused by consolidation adjustments will be excluded.
Real Estate Investment Ratio	A ratio the numerator of which is the cost of real estate leases and land and buildings owned by a Client Company, the denominator of which is the total cost of real estate leases and land and buildings for all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service). Real Estate owned or leased by PHI Service Company is excluded.

Service Company Bill Ratio	A ratio the numerator of which is the total amount billed by PHI Service Company to a Client Company for a twelve month period, the denominator of which is the total amount billed by PHI Service Company to all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service) for a twelve month period. Any client companies billed a negative amount for the twelve month period will be excluded from the calculation.
Special Bills Ratio	A ratio the numerator of which is the number of special bills issued for a Client Company, the denominator of which is the total number of special bills issued for all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service). Bills issued on behalf of PHI Service Company are excluded.
Square Footage Ratio	A ratio the numerator of which is the number of total square feet of space occupied by a Client Company, the denominator of which is the total number of square feet of space occupied by all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service).
Telephone Ratio	A ratio the numerator of which is the number of telephone extensions used by a Client Company, the denominator of which is the number of telephone extensions used by all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service).
Transactions Processed Ratio	A ratio the numerator of which is the number of transactions processed for a Client Company, the denominator of which is the total number of transactions processed for all Client Companies using the service (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service). Transactions processed for PHI Service Company are excluded.
Two Factor Ratio	A composite ratio which is comprised of an average of the O&M and Gross Property, Plant and Equipment ratio percentages (described above) for all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service).

Vehicle \$ Ratio

A ratio the numerator of which is the amount of vehicle rate charges in a specific Client Company, the denominator of which is the total amount of vehicle rate charges in all Client Companies (or specific Client Companies receiving the service allocated per this factor, if not all Companies are receiving the service). Rate charges to PHI Service Company are excluded.

Notes:

Where applicable, the following will be utilized to convert gas sales to equivalent electric sales: 0.303048 cubic feet of gas equals 1 kilowatt-hour of electric sales (based on electricity at 3412 Btu/Kwh and natural gas at 1034 Btu/cubic foot).

The historical time period utilized to prepare the allocation ratio may vary to more accurately reflect ongoing operational activities due to the dissolution or acquisition of a Client Company and/or line of business, the wind down of a Client Company and/or line of business or a significant change in projected future operations of a Client Company.

# Exhibit 2

GENERAL SERVICES AGREEMENT

BETWEEN

EXELON BUSINESS SERVICES COMPANY

AND

EXELON CORPORATION; EXELON ENERGY DELIVERY COMPANY, LLC;  
COMMONWEALTH EDISON COMPANY; PECO ENERGY COMPANY; EXELON  
VENTURES COMPANY, LLC; EXELON GENERATION COMPANY, LLC; EXELON  
ENTERPRISES COMPANY, LLC; UNICOM INVESTMENT INC.; AND THE  
SUBSIDIARIES, AFFILIATES AND ASSOCIATES OF EACH LISTED ENTITY.

THIS AGREEMENT, made and entered into this 1st day of January, 2001, by  
and between the following Parties: EXELON BUSINESS SERVICES COMPANY (“Services  
Company”), EXELON CORPORATION; EXELON ENERGY DELIVERY COMPANY, LLC;  
COMMONWEALTH EDISON COMPANY; PECO ENERGY COMPANY; EXELON  
VENTURES COMPANY, LLC; EXELON GENERATION COMPANY, LLC; EXELON  
ENTERPRISES COMPANY, LLC; UNICOM INVESTMENT INC; AND THE  
SUBSIDIARIES, AFFILIATES AND ASSOCIATES OF EACH LISTED ENTITY  
(collectively, the “Client Companies”);

WITNESSETH:

WHEREAS, Client Companies, including EXELON CORPORATION, which is  
registered under the terms of the Public Utility Holding Company Act of 1935 (the “Act”) and its  
other subsidiaries, affiliates and associates desire to enter into this agreement providing for the

performance by Services Company for the Client Companies of certain services as more particularly set forth herein;

WHEREAS, Services Company is organized, staffed and equipped and has filed with the Securities and Exchange Commission (“the SEC”) to be a subsidiary service company under Section 13 of the Act to render to EXELON CORPORATION, and other subsidiaries, affiliates and associates of EXELON CORPORATION, certain services as herein provided; and

WHEREAS, to maximize efficiency, and to achieve merger related savings, the Client Companies desire to avail themselves of the advisory, professional, technical and other services of persons employed or to be retained by Services Company, and to compensate Services Company appropriately for such services;

NOW, THEREFORE, in consideration of these premises and of the mutual agreements set forth herein, the Parties agree as follows:

#### Section 1. Agreement to Provide Services

Services Company agrees to provide to Client Companies, upon the terms and conditions set forth herein, the services hereinafter referred to and described in Section 2, at such times, for such period and in such manner as Client Companies may from time to time request. Except with respect to “Corporate Governance Services” as defined in Section 7 hereof, the Services Company shall perform only those services as are requested by the Client Companies. Services Company will keep itself and its personnel available and competent to provide to Client Companies such services so long as it is authorized to do so by the appropriate federal and state regulatory agencies. In providing such services, Services Company may arrange, where it deems

appropriate, for the services of such experts, consultants, advisers and other persons with necessary qualifications as are required for or pertinent to the provision of such services.

## Section 2. Services to be Provided

The services expected to be provided by Services Company hereunder may, upon request by a Client Company, include the services as set out in Schedule 2, attached hereto and made a part hereof. In addition to those identified in Schedule 2, Services Company shall provide such additional general or special services, whether or not now contemplated, as Client Companies may request from time to time and Services Company determines it is able to provide.

Notwithstanding the foregoing paragraph, no change in the organization of the Services Company, the type and character of the companies to be serviced, the factors for allocating costs to associate companies, or in the broad general categories of services to be rendered subject to Section 13 of the Act, or any rule, regulation or order thereunder, shall be made unless and until the Services Company shall first have given the SEC written notice of the proposed change not less than 60 days prior to the proposed effectiveness of any such change. If, upon the receipt of any such notice, the SEC shall notify the Services Company within the 60-day period that a question exists as to whether the proposed change is consistent with the provisions of Section 13 of the Act, or of any rule, regulation or order thereunder, then the proposed change shall not become effective unless and until the Services Company shall have filed with the SEC an appropriate declaration regarding such proposed change and the SEC shall have permitted such declaration to become effective.

### Section 3. Changes in Parties

New direct or indirect subsidiaries, affiliates and associates of EXELON CORPORATION, which may come into existence after the effective date of this Services Agreement, may become additional Client Companies of Services Company and subject to this General Services Agreement. In addition, entities which are, as of the effective date of this General Services Agreement, direct or indirect subsidiaries, affiliates and associates of EXELON CORPORATION, may thereafter leave the holding company system, in which case they will no longer be subject to this General Services Agreement. The parties hereto shall make such changes in the scope and character of the services to be provided and the method of assigning, distributing or allocating costs of such services as may become necessary to achieve a fair and equitable assignment, distribution, or allocation of Services Company costs among associate companies taking into account both the new subsidiaries and the subsidiaries which have left the holding company system, subject to the provisions of Section 2 above.

### Section 4. Compensation of Services Company

As compensation for the services to be rendered hereunder, Client Companies listed in Attachment A hereto, as revised from time to time, shall pay to Services Company all costs which reasonably can be identified and related to particular services provided by Services Company for or on Client Company's behalf (except as may otherwise be permitted by the SEC). All other Client Companies and their affiliates and associates (see Attachment B) shall pay to Services Company charges for services that are to be no less than cost (except as may otherwise be permitted by the SEC), insofar as costs can reasonably be identified and related by Services Company to its performance of particular services for or on behalf of Client Company.



The services described herein or contemplated to be provided hereunder shall be directly assigned, distributed or allocated by activity, project, program, work order or other appropriate basis. The factors for assigning or allocating Services Company costs to Client Company, as well as to other associate companies, are set forth in Schedules 1 and 2 attached hereto. Attachments A and B and Schedules 1 and 2 are each expressly incorporated herein and made a part hereof.

Any charges to the Client Companies on account of use of capital shall reflect a reasonable and efficient capital structure.

#### Section 5. Securities and Exchange Commission Rules

It is the intent of the Parties that the determination of the costs as used in this Agreement shall be consistent with, and in compliance with, the rules and regulations of the SEC, as they now exist or hereafter may be modified by the Commission.

#### Section 6. Service Review

The parties shall review each service covered by this Agreement on an as needed basis, to assess the quality of the service and to determine the continued need therefor, and shall, subject to the provisions of Section 2 above, amend the scope of services, delete services entirely from this Agreement, and/or decline services which are not "Corporate Governance Services," as defined in Section 7 hereof, as they determine to be necessary or desirable.

#### Section 7. Corporate Governance Services.

Whether or not requested by the Client Companies, the Services Company may provide to all Client Companies, and Client Companies shall pay Services Company for, “Corporate Governance Services.” Corporate governance consists of those activities and services reasonably determined to be necessary for the lawful and effective management of Exelon System businesses. Corporate Governance Services may be supplied from functions such as accounting, finance, executive, strategic planning, legal, human resources/benefits, audit, corporate communications and public affairs, environmental, health and safety, government affairs and policy, and investor relations. Corporate Governance Services may include, but are not limited to, the following: planning and project evaluation; finance and treasury; accounting and analysis; risk management; tax; shareholder and investor relations; merger and acquisition services; strategic planning; diversity; employee and labor relations; HR planning and development; compensation and benefits; legal services in the areas of securities, PUHCA, employment, regulatory, contract, litigation and intellectual property laws; legal and administrative support to the Board of Directors; environmental compliance activities; ethics and compliance programs; management services for compliance with Federal laws, regulations and other policy requirements, including relationship management with the U.S. Congress and Federal agencies; corporate communications; branding; corporate events; charitable support; community relations and communications to local organizations; and communications to employees.

#### Section 8. Payment

Payment shall be by making remittance of the amount billed or by making

appropriate accounting entries on the books of the companies involved. Invoices shall be prepared on a monthly basis for services provided hereunder.

#### Section 9. EXELON CORPORATION

Except as authorized by rule, regulation, or order of the SEC, nothing in this Agreement shall be read to permit EXELON CORPORATION, or any person employed by or acting for EXELON CORPORATION, to provide services for other Parties, or any companies associated with said Parties.

#### Section 10. Client Companies

Except as limited by law or order of the SEC, Client Companies, their subsidiaries, affiliates and associates may provide services described herein to other Client Companies, their subsidiaries, affiliates and associates on the same terms and conditions as set out for the Services Company.

#### Section 11. Effective Date and Termination

This Agreement is executed subject to the consent and approval of all applicable regulatory agencies, and if so approved in its entirety, shall be deemed effective from the date that the merger between PECO ENERGY COMPANY and UNICOM CORPORATION was consummated, and shall remain in effect from said date unless terminated by mutual agreement or by any Party giving at least 90 days' written notice to the other Parties prior to the beginning of any calendar year, each Party fully reserving the right to so terminate this Agreement.

This Agreement may also be terminated or modified to the extent that performance may conflict with any rule, regulation or order of the SEC adopted before or after the making of this Agreement. This Agreement shall be terminated with respect to any Client Company immediately upon such Client Company ceasing to be a member of the Exelon holding company system.

The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement shall survive such termination or expiration.

#### Section 12. Access to Records

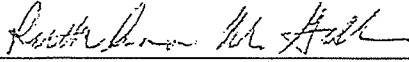
Records will be maintained in accordance with 17 C.F.R. §257 and in any event no less than seven years following a transaction under this Agreement. The Client Company may request access to and inspect the accounts and records of the Services Company, provided that the scope of access and inspection is limited to accounts and records that are related to such transaction.

#### Section 13. Assignment

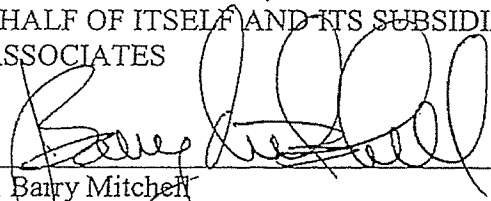
This Agreement and the rights hereunder may not be assigned without the mutual written consent of all Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their authorized officers as of the day and year first above written.

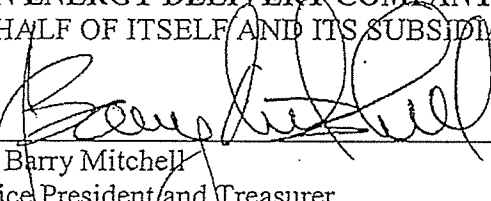
**EXELON BUSINESS SERVICES COMPANY**

By   
Ruth Ann M. Gillis  
Title: President

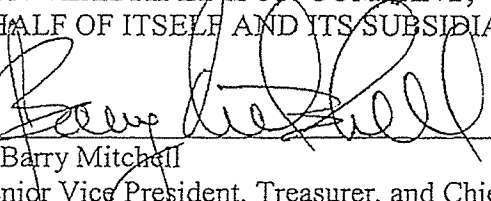
**EXELON CORPORATION,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES, AFFILIATES  
AND ASSOCIATES**

By   
J. Barry Mitchell  
Title: Senior Vice President and Treasurer

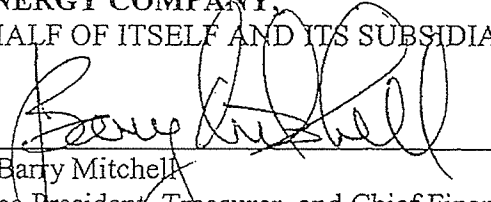
**EXELON ENERGY DELIVERY COMPANY, LLC,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES**

By   
J. Barry Mitchell  
Title: Vice President and Treasurer

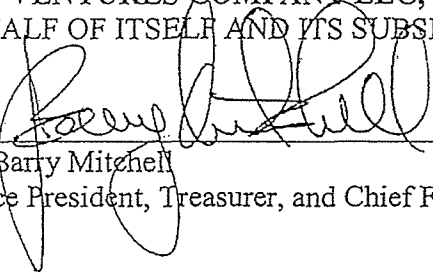
**COMMONWEALTH EDISON COMPANY,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES**

By   
J. Barry Mitchell  
Title: Senior Vice President, Treasurer, and Chief Financial Officer

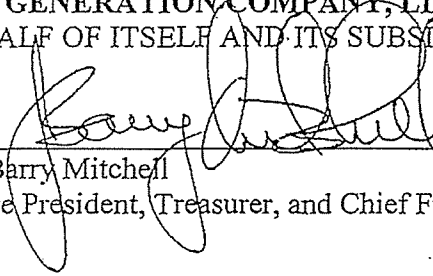
**PECO ENERGY COMPANY,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES**

By   
J. Barry Mitchell  
Title: Vice President, Treasurer, and Chief Financial Officer

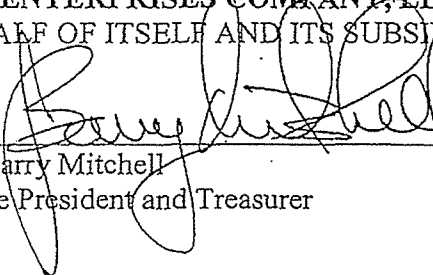
EXELON VENTURES COMPANY LLC,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES

By   
\_\_\_\_\_  
J. Barry Mitchell  
Title: Vice President, Treasurer, and Chief Financial Officer

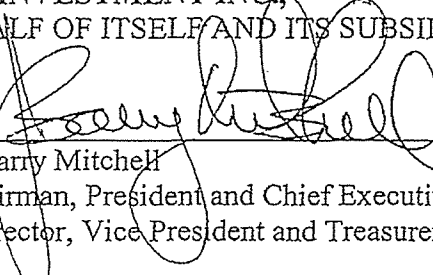
EXELON GENERATION COMPANY, LLC,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES

By   
\_\_\_\_\_  
J. Barry Mitchell  
Title: Vice President, Treasurer, and Chief Financial Officer

EXELON ENTERPRISES COMPANY, LLC,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES

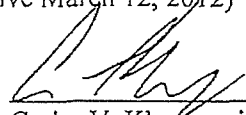
By   
\_\_\_\_\_  
J. Barry Mitchell  
Title: Vice President and Treasurer

UNICOM INVESTMENT INC.,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES

By   
\_\_\_\_\_  
J. Barry Mitchell  
Title: Chairman, President and Chief Executive Officer,  
Director, Vice President and Treasurer

BALTIMORE GAS AND ELECTRIC COMPANY,  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES  
(effective March 12, 2012)

By



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Carim V. Khodzami

Title: Vice President, Chief Financial Officer and Treasurer

ATLANTIC CITY ELECTRIC COMPANY  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES  
(Effective March 24, 2016)

By: Donna J. Kinzel

Name: Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer, and Treasurer

DELMARVA POWER & LIGHT COMPANY  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES  
(Effective March 24, 2016)

By: Donna J. Kinzel

Name: Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer, and Treasurer

POTOMAC ELECTRIC POWER COMPANY  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES  
(Effective March 24, 2016)

By: Donna J. Kinzel

Name: Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer, and Treasurer

PEPCO HOLDINGS LLC  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES  
(Effective March 24, 2016)

By: Donna J. Kinzel

Name: Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer, and Treasurer

PHI SERVICE COMPANY  
ON BEHALF OF ITSELF AND ITS SUBSIDIARIES  
(Effective March 24, 2016)

By: Donna J. Kinzel

Name: Donna J. Kinzel

Its: Senior Vice President, Chief Financial Officer, and Treasurer



**Attachment A**

Commonwealth Edison Company

Commonwealth Edison of Indiana, Inc.

PECO Energy Company

Exelon Generation Company, LLC

Baltimore Gas and Electric Company (effective March 12, 2012)

Atlantic City Electric Company (effective March 24, 2016)

Delmarva Power & Light Company (effective March 24, 2016)

Potomac Electric Power Company (effective March 24, 2016)

PEPCO Holdings LLC (effective March 24, 2016)

PHI Service Company (effective March 24, 2016)

Any subsidiary involved in directly providing goods, construction or services to the foregoing companies.

## Service Agreement Schedule 1

### Allocation Ratios:

#### **General:**

Direct charges shall be made so far as costs can be identified and related to the particular transactions involved without excessive effort or expense. Other elements of cost, including taxes, interest, other overhead, and compensation for the use of capital procured by the issuance of capital stock, shall be fairly and equitably allocated using the ratios set forth below.

#### **Revenue Related Ratios:**

Revenues  
Sales - Units sold and/or transported  
Number of Customers

#### **Expenditure Related Ratios:**

Total Expenditures  
Operations and Maintenance Expenditures  
Capital Expenditures  
Service Company Billings  
Service Company SLA Billings (Non-governance)

#### **Labor/Payroll Related Ratios:**

Labor / Payroll  
Number of Employees

#### **Units Related Ratios:**

Usage (for example: CPU's, square feet , number of vendor invoice payments)  
Consumption (for example: tons of coal, gallons of oil, MMBTU's)  
Capacity (for example: nameplate generating capacity, peak load, gas throughput)  
Other units related

#### **Assets Related Ratios:**

Total Assets  
Current Assets  
Gross Plant

#### **Composite Ratios:**

Total Average Assets and 12 months ended Gross Payroll  
Modified Massachusetts Formula  
Other composite ratios

## Service Agreement Schedule 2

### Services Including But Not Limited To:

#### **General:**

Direct charges shall be made so far as costs can be identified and related to the particular transactions involved without excessive effort or expense. Other elements of cost, including taxes, interest, other overhead, and compensation for the use of capital procured by the issuance of capital stock, shall be fairly and equitably allocated using the ratios set forth in Schedule 1.

#### **Administrative & management services including but not limited to:**

- accounting
  - bookkeeping
  - billing
  - accounts receivable
  - accounts payable
  - financial reporting
- audit
- claims
- communications
- customer operations
- customer services
- executive
- finance
- insurance
- information systems services
- investment advisory services
- legal
- library
- record keeping
- secretarial & other general office support
- real estate management
- security holder services
- tax
- treasury
- other administration & management services

**Expected allocation ratios:** Revenue Related, Expenditure Related, Labor/Payroll Related, Units Related, Assets Related, Composite

**Personnel services including but not limited to:**

- recruiting
- training & evaluation services
- payroll processing
- employee benefits administration & processing
- labor negotiations & management
- other personnel services

**Expected allocation ratios:** Labor/Payroll Related, Units Related, Composite

**Purchasing services including but not limited to:**

- preparation & analysis of product specifications
- requests for proposals & similar solicitations
- vendor & vendor-product evaluations
- purchase order processing
- receipt, handling, warehousing and disbursement of purchased items contract negotiation & administration
- inventory management & disbursement
- other purchasing services

**Expected allocation ratios:** Expenditure Related, Labor/Payroll Related, Units Related, Assets Related, Composite

**Facilities management services including but not limited to:**

- office space
- warehouse & storage space
- transportation facilities (including dock & port, rail sidings and truck facilities)
- repair facilities
- manufacturing & production facilities
- fixtures, office furniture & equipment

**Expected allocation ratios:** Expenditure Related, Labor/Payroll Related, Units Related, Composite

**Computer services including but not limited to:**

- computer equipment & networks
- peripheral devices
- storage media
- software

**Expected allocation ratios:** Expenditure Related, Labor/Payroll Related, Units Related, Assets Related, Composite

**Communications services including but not limited to:**

- communications equipment
- audio & video equipment
- radio equipment
- telecommunications equipment & networks
- transmission & switching capability

**Expected allocation ratios:** Expenditure Related, Labor/Payroll Related, Units Related, Assets Related, Composite

**Machinery management services including but not limited to:**

- equipment
- tools
- parts & supplies

**Expected allocation ratios:** Expenditure Related, Labor/Payroll Related, Units Related, Composite

**Vehicle management services including but not limited to:**

- automobiles
- trucks
- vans
- trailers
- railcars
- marine vessels
- aircraft
- transport equipment
- material handling equipment
- construction equipment

**Expected allocation ratios:** Expenditure Related, Labor/Payroll Related, Units Related, Composite

**Operational services including but not limited to:**

- drafting & technical specification, development & evaluation
- consulting
- engineering
- environmental
- safety
- nuclear
- construction

design  
resource planning  
economic & strategic analysis  
research  
testing  
training  
customer solicitation  
support & other marketing related services  
public & governmental relations  
other operational services

**Expected allocation ratios:** Revenue Related, Expenditure Related, Labor/Payroll Related,  
Units Related, Assets Related, Composite

**Service Level Arrangement**

Arrangement between \_\_\_\_\_ Services Department and [Client Company]

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Purpose

Governing Agreement

Term of Service

Scope of Services

Scope of Services

Service Responsibility Matrix

Services, Tasks		

Service Costing Schedule

Monthly Billing Table:

Service/Transaction	Estimated Monthly Billing

Performance Metrics & Performance Reporting

**Signatures**

Manager Service Company

Name (Client)  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



Project Charter

Mission:

Objective

- 
- 

Business Need / Expected Benefits

- 

Project Approach

- 
- 
- 

Measures of Success / Effectiveness

- 
- 

Project Team

- Sponsor -
- Responsible Director –
- Project Manager –
- Project Team –

High Level Schedule

Activity or Deliverable	Start Date	End Date

High Level Cost Estimate

Item	Cost

Major Risks and Issues

- 

Assumptions and Constraints

-

**Project Charter Authorizing Signatures**

Name / Title	Signature	Date

# Exhibit 3

## **2017 Exelon Business Services Company Service Areas & Cost Assignment Methods**

Exelon Business Services Company, LLC (BSC) provides services to the Exelon system of companies. For discussion purposes, BSC is divided into three groups: 1) core shared services, 2) utility focused services, and 3) corporate governance. The following are descriptions of the service areas and the cost assignment methods applied when billing the services.

The discussion below summarizes the cost assignment methods which generally require direct billing of services to the extent possible, then allocation based on cost causative allocation methods of costs that cannot be directly assigned.

### **1) CORE SHARED SERVICES AREAS**

The Core Shared Services Areas provide a variety of shared support and management services for the Exelon system of companies. These shared services include Information Technology, Supply, Legal Services, Human Resources, Transportation and Real Estate.

#### **Information Technology**

- Energy Delivery Solutions, GenCo Solutions, Projects & Enterprise Solutions. Provides application support to the business units and centrally manages enterprise-wide applications and business unit specific projects.

##### ***Cost Assignment:***

- Costs for information technology applications which are specific to one Client Company are directly charged to the respective Client Company.
- Costs for information technology applications which benefit all or more than one Client Company are allocated to the respective Client Companies based on an appropriate cost causative allocation methodology, which varies from project to project.
- Cloud and Infrastructure Engineering and Operations. Manages the enterprise IT infrastructure, provides infrastructure services, and ensures a safe and stable operating environment.

##### ***Cost Assignment:***

- Service costs are directly charged to IT Application Portfolios on a unit price basis for services such as mainframe, email, voicemail, LAN, etc. IT Application Portfolio costs are directly charged to Client Companies when specific to one Client Company. IT Application Portfolio costs that

benefit more than one Client Company are allocated based on an appropriate cost causative allocation methodology.

- IT Governance. Comprises an IT Program Management Office and Business Office focused on establishing standard processes, procedures and methods and Enterprise Architecture and Planning responsible for comprehensive enterprise strategic planning and architecture standards and assurance.

*Cost Assignment:*

- Service costs are allocated to Client Companies based on an IT Service Billings ratio of each Client Company or an appropriate cost causative allocation methodology.

**Security**

Includes the costs of providing Corporate and Information Security services for the Client Companies (formerly part of IT Governance)

- Corporate Security and Analysis. Provides security policy development and alignment with policies and strategic initiatives; Intelligence gathering and analytical services across the corporation to include threat / risk assessments and recommendations.
- Information Security. Develop, maintain and enforce a security strategy, policy and standards framework that aligns Exelon business need, legislative and regulatory requirements, and industry standard practices.

*Cost Assignment*

- Costs for Corporate and Information Security services which are specific to one Client Company are directly charged to the respective Client Company.

- Service costs are allocated to Client Companies based on an IT Service Billings ratio of each Client Company or an appropriate cost causative allocation methodology which varies by service.

## **Supply**

Includes the costs of providing services related to the supply function for the Client Companies. Does not include costs of the materials/services purchased under the Purchase Orders/Contracts established by BSC Supply Services group or the purchase or sale of power.

- Strategic Sourcing. Manages the sourcing of categories across Exelon, drives total cost of ownership, and manages supplier relationships.
- Supply Operations. Provides tactical support to business unit operations, including logistics and warehousing for Exelon Generation. Embedded Supply employees perform these services for the Utilities.
- Supply Support. Comprises e-business functions, supply projects, and diversity initiatives, as well as policies, programs, systems and decision support systems.

### ***Cost Assignment:***

- Whenever possible, service costs are directly charged to Client Companies.
- Remaining service costs are allocated to Client Companies based on various expenditure-spend methodologies (generally, the services and/or materials purchased by each Client Company).
- Accounts Payable. Processes invoices and administers the P-Card (purchasing-card) program.

### ***Cost Assignment:***

- Accounts payable service costs are directly charged to Client Companies on a unit price based on transactions processed for each Client Company.

## **Legal Services**

- Corporate & Commercial. Provides legal support for commercial contract negotiations, acquisitions, intellectual property, strategy, securities, financial reporting, real estate, nuclear related issues, bankruptcy, credit and collections, environmental, general corporate, and other transactional matters.
- Environmental. Provides legal support for the defense of agency enforcement actions, compliance counseling, environmental matters relevant to permitting

and re-licensing of generation facilities, support for safety and OSHA compliance, EHS compliance audits and NRC investigations.

- Labor & Employment. Represents Exelon's Client Companies in a wide range of employment related matters before agencies, arbitrators, and state and federal courts; provides advice and counsel on all labor and employment related matters.
- Litigation. Provides legal support for all forms of disputes, including breach of contract, commercial disputes, personal injury, and property damage.
- Regulatory. Represents Exelon's Client Companies before various regulatory agencies, including the Illinois Commerce Commission, the Pennsylvania Public Utility Commission, Maryland Public Service Commission, New Jersey Board of Public Utilities, Delaware Public Service Commission, Public Service Commission of the District of Columbia and the Federal Energy Regulatory Commission.
- Client Services. Comprised of the business functions of the Legal Department, including financial management, client billing, business planning and analysis, human resources, systems management, and general administration.

***Cost Assignment:***

- Costs for lawyers and paralegals are directly charged to Client Companies when possible and the remaining services are allocated on the Modified Massachusetts Formula, an average of each Client Company's Gross Revenues, Total Assets and Direct Labor to the totals of all Client Companies.

**Human Resources**

Human Resources is divided into two groups – (i) General HR activities, including support functions such as diversity, planning and development, employee health and benefits, compensation planning, management and employee development; HR planning, technology and metrics for HR field units; worker's compensation administration; benefits administration services; payroll processing; myHR Service Center Support, HR/Payroll system maintenance and HR process improvement support and metric reporting; (ii) Labor Relations, including development and management of labor relations strategy in support of business units with represented employees.

***Cost Assignment:***

- Whenever possible, service costs are directly charged to Client Companies.
- Most general Human Resources Activities costs are directly charged to Client Companies on a unit price basis based on the total employee

headcount of each Client Company. Payroll processing costs are directly charged to Client Companies on a unit price based on paycheck counts of each Client Company.

- Labor Relations costs are directly charged to Client Companies on a unit price basis based on the headcount of represented employees of each Client Company or direct charged based on time and materials.

### **Transportation**

- Transportation. Coordinates corporate aircraft services.

#### *Cost Assignment:*

- Service costs are directly charged to Client Companies on a unit price based on total occupied flight hours of each Client Company.

### **Real Estate**

Includes real estate portfolio and asset management strategy, lease administration for facilities, land or infrastructure obligations, property management, mail services and other real estate consulting services, generally concentrating on non-utility and non-power plant operations.

#### *Cost Assignment for the above mentioned area:*

- Service costs are allocated to Client Companies based on occupied square footage.

## **2) EXELON UTILITIES AREA**

**Exelon Utilities** is comprised of a small utility-focused corporate governance and oversight function that will facilitate collaboration among the utilities to achieve the highest standards of organizational effectiveness, operational excellence, financial discipline and efficiency, and customer and stakeholder satisfaction.

**Utility Planning & Performance** includes oversight and coordination of the business planning process, benchmarking and surveys, performance indicators, utility-wide performance and process improvement initiatives, financial reports, Exelon quarterly management meeting coordination, reporting for Utility Board of Directors and the Energy Delivery Oversight Committee of the Exelon Board of Directors, synergy tracking and reporting, regulatory policy and issues alignment, cost management initiatives, and SLA/ALA coordination.



**Utility Oversight** includes governance and oversight of a Peer Group structure that aligns across the client utilities to drive consistency, best practices and innovation in the core functions of the Management Model; tracks performance regarding key performance indicators, improvement initiatives and industry standards; analyzes opportunities and develops recommendations on issues pertinent to leadership; and provides oversight of Management Model documentation integration across the Utilities.

*Cost Assignment for the above mentioned groups:*

- Whenever possible, service costs are directly charged to specific utility companies.
- The remaining corporate governance costs that cannot be directly charged are allocated to the Utilities based on a utility variation of the Modified Massachusetts Formula, an average of each utility's Gross Revenues, Total Assets and Direct Labor to the totals of all utility companies.

**Transmission Strategy & Compliance** manages the Exelon Utilities' interface with the applicable regional transmission and reliability organizations, manages the NERC Reliability Standard Compliance program to ensure ongoing compliance with NERC Standards, represents utilities' interests and implements corporate strategy in both PJM Regional Transmission Organization and Regional Reliability Organization stakeholder proceedings, and also includes oversight of GAS DOT compliance.

*Cost Assignment:*

- Whenever possible, service costs are directly charged to specific utility companies.
- Remaining service costs that benefit participating utilities are allocated for transmission related activities based on transmission peak load allocation, or allocated based on total gas delivered for Gas DOT compliance activities.

### 3) CORPORATE GOVERNANCE AREAS

The Corporate Governance Areas house employees who provide corporate governance services for the Exelon system of companies. The Corporate Governance Areas in BSC include:

**Finance.** Includes Senior Executive Vice President and CFO Exelon, Finance, Treasury (cash management services, facility and commitment fees, letter of credit fees, and bank service fees), Controller, External Audit fees, Tax (consolidated Federal and state returns), Financial Planning and Analysis, Internal Audit and Financial Controls (Sarbanes-Oxley compliance), Risk Management, Investor Relations, Capital Markets, Insurance Services, and External Reporting.

**Executives and General BSC Activities.** Includes Exelon senior leadership positions including President and Chief Executive Officer and other Executive Committee members. Also includes general activities, such as income and other taxes, severance and interest, and Board of Directors costs and shareholder meetings.

**Communications, Public Advocacy and Corporate Relations.** Includes Exelon Corporation advertising/brand management, donations/contributions, sponsorships and annual report creation, shareholder/investor external communications, and other communication services; as well as Client Company public advocacy, advertising, coordination of donations/contribution approval, corporate/media relations, and corporate and external communications; public affairs activities; internal communications; and photography, videography and video production services.

**Governmental and Regulatory Affairs and Public Policy.** Includes executive oversight; management services for compliance with Federal laws, regulations and other policy requirements including relationship management with Congress, Administration and regulators; strategy development and lobbying and advocacy related to Federal legislative and regulatory initiatives; wholesale market development activities; competition initiative activities; PAC administration and operation; grassroots activities; and Federal public affairs activities.

**Legal Governance.** Includes General Counsel, Corporate Strategy, and the Corporate Governance group (including the corporation's compliance and ethics program and Corporate Secretary and shareholder services).

**Corporate Development.** Includes strategic expertise and governance in the evaluation and execution of merger and acquisition opportunities, evaluating company assets for divestiture opportunities, and providing financial and transactional support to restructuring projects.

**Corporate Transmission Analysis & Development.** Reports to Corporate Development and includes a transmission projects evaluation and development group. (Service costs are direct charged to the Exelon Transmission Company and related transmission projects).

**Physical Security.** Includes corporate security functions such as security investigations and assessments, crisis management response and security related training.

**Investments.** Includes determining the investment strategy and asset allocation of Exelon's pension funds, VEBA post retirement funds and nuclear decommissioning funds, managing relationships with investment managers, overseeing daily investment activities and maintaining a well-diversified investment menu for the Employee Savings Plans. (Certain Investments Area costs are reimbursable by and therefore billed directly to the applicable funds and plans).

*Cost Assignment for the Corporate Governance Areas:*

- Whenever possible, service costs are directly charged to Client Companies.
- The remaining corporate governance costs that cannot be directly charged are allocated to Client Companies based on the Modified Massachusetts Formula, an average of each Client Company's Gross Revenues, Total Assets and Direct Labor to the totals of all Client Companies.

# Exhibit 4

Confidential Materials Removed

# Exhibit 5

**Atlantic City Electric Company**

Location: 500 N. Wakefield Drive, Mailstop 92DC42, Newark, DE 19702

Type of Business: Regulated public utility that distributes electricity in New Jersey

<u>Directors</u>		<u>Effective</u>
David M. Velazquez	Director	03/23/2016
<b><u>Officers</u></b>		
David M. Velazquez	President	03/23/2016
David M. Velazquez	Chief Executive Officer	03/23/2016
J. Tyler Anthony	Chief Operating Officer	03/23/2016
Donna J. Kinzel	Chief Financial Officer	03/23/2016
J. Tyler Anthony	Senior Vice President	03/23/2016
Paul R. Bonney	Senior Vice President, Legal and Regulatory Strategy	04/05/2016
William Gausman *	Senior Vice President, Strategic Initiatives	03/23/2016
Donna J. Kinzel	Senior Vice President	03/23/2016
Robert Aiken	Vice President	03/23/2016
Sandra Brummitt	Vice President, Tax	03/23/2016
Sandra Fisher	Vice President, Transmission and Substations	12/12/2016
Marissa Humphrey	Vice President, Financial Planning and Analysis	03/23/2016
Vincent Maione	Vice President	03/23/2016
Michael W. Maxwell	Vice President, HR Operations	03/23/2016
Kevin M. McGowan	Vice President, Regulatory Policy and Strategy	03/23/2016
Miguel Ortega	Vice President, Technical Services	11/18/2016
Michael Poncia	Vice President, Customer Operations	03/23/2016
Wendy Stark	Vice President	03/23/2016
Jack Strausman	Vice President, Support Service	03/23/2016
Michael J. Sullivan	Vice President, Electric & Gas Operations	03/23/2016
Robert Aiken	Controller	03/23/2016
Donna J. Kinzel	Treasurer	03/23/2016
Bruce G. Wilson	Secretary	03/23/2016
Elisabeth J. Graham	Assistant Treasurer	05/02/2016
Francis Idehen	Assistant Treasurer	03/23/2016
Jeffery E. Snyder	Assistant Treasurer	03/23/2016
Brian Buck	Assistant Secretary	03/23/2016
Scott N. Peters	Assistant Secretary	03/23/2016
Ryan Tookes	Assistant Secretary	03/23/2016
Wendy Stark	General Counsel	03/23/2016

\*No longer an officer of the Company and will be removed upon official Board action, which is expected to occur on or about May 9, 2017.

**Baltimore Gas and Electric Company****Location:** 2 Center Plaza-110 West Fayette Street Baltimore, MD 21201**Type of Business:** Combination electric and gas utility

<b><u>Directors</u></b>		<b><u>Effective</u></b>
Ann C. Berzin	Director	12/01/2013
Calvin G. Butler, Jr.	Director	03/01/2014
Christopher M. Crane	Director	03/13/2012
Michael E. Cryor	Director	03/13/2012
James R Curtiss	Director	03/13/2012
Joseph L Haskins	Director	09/27/2008
Denis P. O'Brien	Director	03/13/2012
Michael D Sullivan	Director	09/27/2008
Maria Tildon	Director	08/15/2016
<b><u>Officers</u></b>		<b><u>Effective</u></b>
Christopher M. Crane	Chairman of the Board	05/10/2012
Denis P. O'Brien	Vice Chairman	05/10/2012
Stephen J Woerner	President	03/01/2014
Calvin G. Butler, Jr.	Chief Executive Officer	03/01/2014
Stephen J Woerner	Chief Operating Officer	05/10/2012
Robert Biagiotti	Chief Customer Officer	01/19/2015
David Vahos	Chief Financial Officer	05/12/2014
Alexander Núñez	Senior Vice President, Regulatory and External Affairs	04/04/2016
David Vahos	Senior Vice President	03/24/2016
William A. Bergman	Vice President, Health & Benefits	08/01/2015
Robert Biagiotti	Vice President, Customer Operations	01/19/2015
Christopher A Burton	Vice President, Electric Distribution Operations	05/19/2014
Mark D Case	Vice President, Regulatory Policy and Strategy	06/22/2015
Derrick Dickens	Vice President, Technical Services	02/22/2016
Carol A. Dodson	Vice President, Support Service	01/19/2015
Daniel P. Gahagan	Vice President	05/10/2012
Andrew Holmes	Vice President	03/24/2016
Valencia McClure	Vice President, Governmental and External Affairs	04/04/2016
Christie McMullen	Vice President, Gas	01/19/2015
Darryl Stokes	Vice President, Electric Transmission & Substation	09/08/2014
Thomas D. Terry, Jr.	Vice President, Taxes	08/29/2012
Peter J. Kavanagh	Assistant Vice President, HR Shared Services	08/01/2015
Sandra Brummitt	Assistant Vice President, Taxes	08/29/2012
Donna Whitehead	Assistant Vice President, Taxes	06/06/2013
Andrew Holmes	Controller	03/24/2016
David Vahos	Treasurer	05/12/2014
Bruce G. Wilson	Secretary	05/10/2012
Elisabeth J. Graham	Assistant Treasurer	05/02/2016
Francis Idehen	Assistant Treasurer	03/28/2016
Brian Buck	Assistant Secretary	03/24/2016



Baltimore Gas and Electric Company – (Continued)

<u>Officers</u>		<u>Effective</u>
Daniel P. Gahagan	Assistant Secretary	06/06/2013
Scott N. Peters	Assistant Secretary	05/10/2012

Commonwealth Edison Company  
 Location: 440 South LaSalle Street- Chicago, Illinois, 60605  
 Type of Business: Electric Utility

**Directors**

		<b><u>Effective</u></b>
James W. Compton	Director	09/18/2006
Christopher M. Crane	Director	03/01/2012
A. Steven Crown	Director	05/09/2011
Nicholas DeBenedictis	Director	11/01/2013
Peter V. Fazio, Jr.	Director	10/29/2007
Michael H. Moskow	Director	01/28/2008
Denis P. O'Brien	Director	03/12/2012
Anne R. Pramaggiore	Director	02/24/2012
Jesse H. Ruiz	Director	10/16/2006

**Officers**

		<b><u>Effective</u></b>
Christopher M. Crane	Chairman	03/01/2012
Denis P. O'Brien	Vice Chairman	03/12/2012
Anne R. Pramaggiore	President	05/11/2009
Anne R. Pramaggiore	Chief Executive Officer	02/24/2012
Terence R. Donnelly	Chief Operating Officer	02/24/2012
Joseph R. Trpik	Chief Financial Officer	07/06/2009
Terence R. Donnelly	Executive Vice President	02/24/2012
Michelle M. Blaise	Senior Vice President, Technical Services	05/12/2014
Kevin B. Brookins	Senior Vice President, Strategy and Administration	02/24/2012
Verónica Gómez	Senior Vice President, Regulatory and Energy Policy	12/31/2016
Val Jensen	Senior Vice President, Customer Operations	02/24/2012
Fidel Marquez	Senior Vice President, Governmental and External Affairs	02/24/2012
Timothy M. McGuire	Senior Vice President, Distribution Operations	06/06/2016
Joseph R. Trpik	Senior Vice President	07/06/2009
Isaac Akridge	Vice President, Distribution Operations, City	07/25/2016
William A. Bergman	Vice President, Health & Benefits	08/01/2015
Erica Borggren	Vice President, Communications	04/06/2015
Christine M. Brinkman	Vice President, Customer Revenue Assurance	10/17/2016
Valerie Colleti	Vice President, Distribution Operations	12/14/2015
Marlow Colvin	Vice President, Governmental Affairs	06/26/2012
James M. Conway	Vice President, Customer Field Operations	07/23/2012
Ronald E. Donovan	Vice President, Customer Channels	08/12/2013
Mark Falcone	Vice President, Support Service	10/17/2016
Gerald Kozel	Vice President	03/01/2013
Cheryl Maletich	Vice President, Distribution Systems Operations	08/12/2013
Michael B. McMahan	Vice President, Advanced Metering Infrastructure (AMI) Implementation	08/12/2013
Tracie Morris	Vice President, Human Resources	02/13/2012
Sheila A. Owens	Vice President, Economic Development	02/24/2012
Jane Park	Vice President, Regulatory Policy and Strategy	11/02/2015
David R. Perez	Vice President, Transmission and Substations	06/06/2016

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Commonwealth Edison – (Continued)Officers

		<u>Effective</u>
Joseph E. Svachula	Vice President, Smart Grid & Technology	08/12/2013
Thomas D. Terry, Jr.	Vice President, Taxes	11/01/2003
Scott A. Vogt	Vice President, Energy Acquisitions	05/19/2014
Melissa Washington	Vice President, External Affairs and Large Customer Service	05/02/2016
Peter J. Kavanagh	Assistant Vice President, HR Shared Services	08/01/2015
Sandra Brummitt	Assistant Vice President, Taxes	09/14/2012
Robert A. Kleczynski	Assistant Vice President, Taxes	11/01/2003
Feyisara Williams	Assistant Vice President, Taxes	09/30/2015
Gerald Kozel	Controller	03/01/2013
Joseph R. Trpik	Treasurer	07/06/2009
Bruce G. Wilson	Secretary	04/25/2012
John Bobek	Accountant	07/25/2012
Elisabeth J. Graham	Assistant Treasurer	12/19/2016
Francis Idehen	Assistant Treasurer	03/28/2016
Brian Buck	Assistant Secretary	04/25/2016
Scott N. Peters	Assistant Secretary	03/12/1998
Verónica Gómez	General Counsel	12/31/2016

**Delmarva Power & Light Company****Location:** 500 N. Wakefield Drive, Mailstop 92DC42, Newark, DE 19702**Type of Business:** Combination gas and electric utility

<u>Directors</u>		<u>Effective</u>
Denis P. O'Brien	Director	03/23/2016
Denis P. O'Brien	Chairman	03/23/2016
David M. Velazquez	Director	03/23/2016
<u>Officers</u>		<u>Effective</u>
David M. Velazquez	President	03/23/2016
David M. Velazquez	Chief Executive Officer	03/23/2016
J. Tyler Anthony	Chief Operating Officer	03/23/2016
Donna J. Kinzel	Chief Financial Officer	03/23/2016
J. Tyler Anthony	Senior Vice President	03/23/2016
Paul R. Bonney	Senior Vice President, Legal and Regulatory Strategy	04/05/2016
William Gausman *	Senior Vice President, Strategic Initiatives	03/23/2016
Donna J. Kinzel	Senior Vice President	03/23/2016
Robert Aiken	Vice President	03/23/2016
Sandra Brummitt	Vice President, Tax	03/23/2016
Sandra Fisher	Vice President, Transmission and Substations	12/12/2016
Marissa Humphrey	Vice President, Financial Planning and Analysis	03/23/2016
Michael W. Maxwell	Vice President, HR Operations	03/23/2016
Kevin M. McGowan	Vice President, Regulatory Policy and Strategy	03/23/2016
Miguel Ortega	Vice President, Technical Services	11/18/2016
Michael Poncia	Vice President, Customer Operations	03/23/2016
Wendy Stark	Vice President	03/23/2016
Gary R. Stockbridge	Vice President	03/23/2016
Jack Strausman	Vice President, Support Service	03/23/2016
Michael J. Sullivan	Vice President, Electric & Gas Operations	03/23/2016
Thomas D. Terry, Jr.	Vice President, Tax	03/23/2016
Denis M. Eischen	Assistant Vice President, Taxes	03/23/2016
Robert A. Kleczynski	Assistant Vice President, Taxes	03/23/2016
Robert Aiken	Controller	03/23/2016
Donna J. Kinzel	Treasurer	03/23/2016
Bruce G. Wilson	Secretary	03/23/2016
Elisabeth J. Graham	Assistant Treasurer	05/02/2016
Francis Idehen	Assistant Treasurer	03/23/2016
Jeffery E. Snyder	Assistant Treasurer	03/23/2016
Brian Buck	Assistant Secretary	03/23/2016
Scott N. Peters	Assistant Secretary	03/23/2016
Jeffery E. Snyder	Assistant Secretary	03/23/2016
Wendy Stark	General Counsel	03/23/2016

\* No longer an officer of the Company and will be removed upon official Board action, which is expected to occur on or about May 9, 2017.

**Exelon Business Services Company, LLC**

Location: 10 South Dearborn Street – Chicago, Illinois 60680

Type of Business: Public Utility Holding Company service company

<u>Officers</u>		<u>Effective</u>
Paymon Aliabadi	Chief Enterprise Risk Officer	09/09/2013
Amy E. Best	Chief Human Resources Officer	03/12/2012
Thomas A. Clewett	Chief Technology Officer	03/12/2012
Kyle B. Crowley	Chief Development Officer	12/03/2010
Christopher D. Gould	Chief Innovation Sustainability Officer	04/04/2016
Amy Hamilton	Chief of Staff	09/07/2015
Carim V Khouzami	Chief Financial Officer, Exelon Utilities	03/23/2016
Michael Koehler	Chief Digital Officer	03/28/2016
Michael Koehler	Chief Information Officer	03/28/2016
David M. O'Brien	Chief Supply Officer	06/06/2016
Sue E. Wallace	Chief of Staff	01/01/2010
Paymon Aliabadi	Executive Vice President	09/09/2013
Joseph Dominguez	Executive Vice President, Governmental & Regulatory Affairs & Public Policy	03/09/2015
M. Bridget Reidy	Executive Vice President, Corporate Operations	03/21/2016
Kathleen Barron	Senior Vice President, Federal Regulatory Affairs and Wholesale Market Policy	03/12/2012
Amy E. Best	Senior Vice President	03/12/2012
Shravan Chopra	Senior Vice President, Finance	03/28/2016
Kyle B. Crowley	Senior Vice President	12/03/2010
Duane M. DesParte	Senior Vice President	03/01/2013
Daniel Eggers	Senior Vice President, Investor Relations	03/29/2016
Maggie FitzPatrick	Senior Vice President, Corporate Affairs, Philanthropy and Customer Engagement	08/29/2016
John J. Gillen	Senior Vice President, Utility Strategy and Performance	04/02/2012
Christopher D. Gould	Senior Vice President, Corporate Strategy	03/12/2012
Susan O. Ivey	Senior Vice President, Transmission Strategy and Compliance	04/04/2016
Carim V Khouzami	Senior Vice President	03/23/2016
Michael Koehler	Senior Vice President	03/28/2016
Michael Kormos	Senior Vice President, Wholesale Markets & Transmission Policy	06/13/2016
David M. O'Brien	Senior Vice President	06/06/2016
Kenneth B. Robinson	Senior Vice President, Audit & Controls	08/01/2016
Thomas D. Terry, Jr.	Senior Vice President	03/01/2013
Bruce G. Wilson	Senior Vice President	08/01/2008
Kathleen Abbott	Vice President, Business Operations & Technical Support	03/28/2016
Mark F. Alden	Vice President, Utility Oversight	06/17/2013
Carol Bartucci	Vice President, IT, ComEd	03/09/2015
Sylvia L. Bateman	Vice President, Supply, Corporate Sourcing	03/12/2012
William Berg	Vice President, Wholesale Market Development	07/01/2013
William A. Bergman	Vice President, Health & Benefits	03/12/2012

**Exelon Business Services Company, LLC – (Continued)**

<u>Officers</u>		<u>Effective</u>
Clarissa Beyah-Taylor	Vice President of Communications, Pepco Holdings	08/01/2016
Erica Borggren	Vice President, Communications, ComEd	04/06/2015
Jennifer Boyd	Vice President, Talent Management & Organization Effectiveness	03/01/2016
Traci M. Braun	Vice President, Litigation	03/20/2017
R. Scott Brown	Vice President, Strategic Initiatives and Analysis	01/01/2017
Mark E. Browning	Vice President, IT Exelon Utilities	02/09/2015
James L. Calabrese	Vice President, IT, Commercial	07/30/2012
Todd Carter	Vice President, IT Portfolio & Enterprise Architecture	08/25/2014
Jay Cavalcanto	Vice President, Cloud and IT Infrastructure Eng	07/13/2015
Thomas A. Clewett	Vice President	03/12/2012
Carter C. Culver	Vice President	08/01/2008
David O. Dardis	Vice President	03/12/2012
Mark Derry	Vice President, Utility Planning and Performance	03/12/2012
David Diaz	Vice President, Finance, Constellation	04/13/2015
Romulo L. Diaz, Jr.	Vice President	03/12/2012
Andrew Dickson	Vice President, Cloud and IT Infrastructure Ops	07/13/2015
Emily Duncan	Vice President, Federal Affairs and Public Policy	12/12/2016
Sunny Elebua	Vice President, Corporate Strategy	06/15/2015
Matthew E. English III	Vice President, HR Operations	03/12/2012
David I. Fein	Vice President, State Government Affairs East	03/12/2012
J. Bradley Fewell	Vice President	06/11/2012
Daniel P. Gahagan	Vice President	03/12/2012
Kevin Garrido	Vice President, Investor Relations	12/12/2016
Robert J. Gauch, Jr.	Vice President, Credit Risk	03/12/2012
David M. Gilbert	Vice President, Federal Government Affairs	03/12/2012
Frank Goetz	Vice President, Chief Security Officer	07/29/2013
Matthew A. Gooder	Vice President, Supply Operations and Sourcing	06/06/2016
Karen L. Greig	Vice President, HR Operation, Exelon Generation	03/12/2012
Amy Hamilton	Vice President	09/07/2015
Neena Hemmady	Vice President, Enterprise Risk Management - Operations	09/29/2014
Jennifer Herwig	Vice President, HR Ops, Constellation	10/24/2016
Michele Hurley	Vice President, Supply Integration	03/23/2016
Brian Hurst	Vice President, Utility Analytics	01/23/2017
Francis Idehen	Vice President	03/28/2016
Edward Jandacek	Vice President, Supply Operations & Sourcing, Utilities	03/12/2012
Nina L. Jezic	Vice President, Deputy General Counsel, Retail	06/30/2014
Kristopher Keys	Vice President	03/12/2012
Robert A. Kleczynski	Vice President, Tax	04/07/2014
Deborah M. Kuo	Vice President, Real Estate and Facilities	03/12/2012
Mary E. Ludford	Vice President, Corporate Operations	06/06/2016
Kelly Lyman	Vice President, IT, PECO	03/12/2012
Jean Medina	Vice President, Corporate Communications	01/30/2017

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**Exelon Business Services Company, LLC – (Continued)**

<b><u>Officers</u></b>		<b><u>Effective</u></b>
Michael Menendez	Vice President, IT, BGE	07/13/2015
Brian M. Montgomery	Vice President, Employee and Labor Relations	03/12/2012
Janese F. Murray	Vice President, Diversity and Inclusion	03/12/2012
Douglas Myers	Vice President, IT Pepco Holdings	03/23/2016
Steven T. Naumann	Vice President, Transmission and NERC Policy	03/12/2012
Anastasia M. O'Brien	Vice President	04/19/2010
Michael Pechin	Vice President, Wholesale Operations Exelon	03/12/2012
Karen J. Peery	Vice President, IT Generation	10/17/2016
Kevin Perkins	Vice President, Corporate & Information Security Services	09/26/2016
Robert R. Poggensee	Vice President, Enterprise Solutions	07/29/2013
Gary Prescott	Vice President, Corporate Compensation	03/12/2012
Hallie Reese	Vice President, Utility Oversight	04/18/2016
Garth Renne	Vice President, Enterprise Risk Management - Analytics	09/29/2014
Susan H. Rider	Vice President	03/12/2012
William A. Scott	Vice President, State Government Affairs West and South	03/12/2012
Steven J. Solomon	Vice President, Corporate Relations	03/12/2012
Wendy Stark	Vice President	03/23/2016
David J. Villa	Vice President, Integration	03/12/2012
David L. Vosvick II	Vice President, HR Operations, BGE	03/12/2012
Sue E. Wallace	Vice President	01/01/2010
Jeffrey R. Williams	Vice President, Corporate Finance, Planning & Analysis	03/28/2016
Peter J. Kavanagh	Assistant Vice President, HR Shared Services	08/01/2015
Denis M. Eischen	Assistant Vice President, Taxes	05/20/2010
Duane M. DesParte	Corporate Controller, Exelon	03/01/2013
Francis Idehen	Treasurer	03/28/2016
Bruce G. Wilson	Secretary	06/30/2009
Harold (Barry) Coulby	Assistant Treasurer	09/12/2016
Elisabeth J. Graham	Assistant Treasurer	05/16/2016
Brian Buck	Assistant Secretary	05/16/2016
Scott N. Peters	Assistant Secretary	12/01/2007
Ronald L. Zack	Assistant Secretary	12/01/2007
Wendy Stark	General Counsel	03/23/2016
Thomas D. Terry, Jr.	General Tax Officer	03/01/2013

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**Exelon Corporation****Location: 10 South Dearborn Street – P.O. Box 805379 – Chicago, Illinois 60680****Type of Business: Public utility holding company**

<b><u>Directors</u></b>		<b><u>Effective</u></b>
Anthony K. Anderson	Director	02/01/2013
Ann C. Berzin	Director	03/12/2012
Christopher M. Crane	Director	03/12/2012
Yves C. de Balmann	Director	03/12/2012
Nicholas DeBenedictis	Director	04/23/2002
Nancy Lee Gioia	Director	02/01/2016
Linda P. Jojo	Director	09/01/2015
Paul Joskow	Director	07/23/2007
Robert J. Lawless	Director	03/12/2012
Richard W. Mies	Director	02/02/2009
John W. Rogers	Director	10/20/2000
Mayo A III Shattuck	Director	03/12/2012
Mayo A III Shattuck	Chairman of the Board	03/12/2012
Stephen D. Steinour	Director	05/08/2007
<b><u>Officers</u></b>		<b><u>Effective</u></b>
Christopher M. Crane	President	09/23/2008
Christopher M. Crane	Chief Executive Officer	03/12/2012
Kenneth W. Cornew	Senior Executive Vice President	05/28/2013
Denis P. O'Brien	Senior Executive Vice President	03/12/2012
Jonathan W. "Jack" Thayer	Senior Executive Vice President	07/01/2014
William A. VonHoene	Senior Executive Vice President	03/12/2012
Denis P. O'Brien	Chief Executive Officer, Exelon Utilities	03/12/2012
William A. VonHoene	Chief Strategy Officer	03/12/2012
Paymon Aliabadi	Chief Enterprise Risk Officer	09/09/2013
Amy E. Best	Chief Human Resources Officer	03/12/2012
Douglas J. Brown	Chief Investment Officer	11/16/2009
Kenneth W. Cornew	Chief Commercial Officer	03/12/2012
Kyle B. Crowley	Chief Development Officer	10/26/2009
Christopher D. Gould	Chief Innovation Sustainability Officer	04/04/2016
Michael Koehler	Chief Digital Officer	03/28/2016
Michael Koehler	Chief Information Officer	03/28/2016
Jonathan W. "Jack" Thayer	Chief Financial Officer	03/12/2012
Paymon Aliabadi	Executive Vice President	09/09/2013
Joseph Dominguez	Executive Vice President, Governmental and Regulatory Affairs and Public Policy	03/09/2015
Joseph Nigro	Executive Vice President	05/28/2013
M. Bridget Reidy	Executive Vice President, Corporate Operations	03/21/2016
Kathleen Barron	Senior Vice President, Federal Regulatory Affairs and Wholesale Market Policy	03/12/2012
Amy E. Best	Senior Vice President	03/12/2012
Douglas J. Brown	Senior Vice President	11/16/2009



**Exelon Corporation – (Continued)**

<b><u>Officers</u></b>		<b><u>Effective</u></b>
David C. Brown	Senior Vice President, Federal Government Affairs & Public Policy	04/05/2010
Kyle B. Crowley	Senior Vice President	12/03/2010
David O. Dardis	Senior Vice President	04/05/2016
Duane M. DesParte	Senior Vice President	03/01/2013
Maggie FitzPatrick	Senior Vice President, Corporate Affairs, Philanthropy and Customer Engagement	08/29/2016
Christopher D. Gould	Senior Vice President, Corporate Strategy	03/12/2012
Michael Koehler	Senior Vice President	03/28/2016
Michael Kormos	Senior Vice President, Wholesale Markets & Transmission Policy	06/13/2016
Thomas S. O'Neill	Senior Vice President	12/31/2016
Kenneth B. Robinson	Senior Vice President, Audit & Controls	08/01/2016
Thomas D. Terry, Jr.	Senior Vice President	03/01/2013
Bruce G. Wilson	Senior Vice President	08/01/2008
Francis Idehen	Vice President	03/28/2016
Denis M. Eischen	Assistant Vice President, Taxes	05/20/2010
Robert A. Kleczynski	Assistant Vice President, Taxes	05/20/2010
Francis Idehen	Treasurer	03/28/2016
Bruce G. Wilson	Corporate Secretary	06/30/2009
Duane M. DesParte	Corporate Controller	02/10/2008
Douglas J. Brown	Assistant Treasurer	11/16/2009
Harold (Barry) Coulby	Assistant Treasurer	09/12/2016
Elisabeth J. Graham	Assistant Treasurer	12/19/2016
Brian Buck	Assistant Secretary	04/25/2016
Scott N. Peters	Assistant Secretary	10/20/2000
Ronald L. Zack	Assistant Secretary	08/08/2005
Thomas S. O'Neill	General Counsel	12/31/2016
Thomas D. Terry, Jr.	General Tax Officer	04/30/2001
David O. Dardis	Deputy General Counsel	04/05/2016
Bruce G. Wilson	Deputy General Counsel	08/01/2008

**Exelon Generation Company, LLC****Location:** 300 Exelon Way – Kennett Square, Pennsylvania 19348**Type of Business:** Owns Exelon’s generating assets; Coordinates dispatch and sale of generation

<u>Officers</u>		<u>Effective</u>
Kenneth W. Cornew	President	05/28/2013
Ronald DeGregorio	President, Exelon Power	03/05/2012
Bryan C. Hanson	President, Exelon Nuclear	01/05/2015
Mark P. Huston	President, Retail, Constellation	05/28/2013
Kenneth W. Cornew	Chief Executive Officer	05/28/2013
Joseph Nigro	Chief Executive Officer, Constellation	05/28/2013
Paymon Aliabadi	Chief Enterprise Risk Officer	09/09/2013
John F. Barnes	Chief Operating Officer, Exelon Power	03/12/2012
Ravi S. Ganti	Chief Commercial Risk Officer	08/01/2014
Bryan C. Hanson	Chief Nuclear Officer	01/05/2015
Michael J. Pacilio	Chief Operating Officer	01/05/2015
David P. Rhoades	Chief Operating Officer, Fleet Operations EN	06/29/2015
Bryan P. Wright	Chief Financial Officer	01/09/2013
Paymon Aliabadi	Executive Vice President	09/09/2013
Joseph Dominguez	Executive Vice President, Governmental and Regulatory Affairs	03/09/2015
Michael J. Pacilio	Executive Vice President	01/05/2015
John F. Barnes	Senior Vice President, Exelon Generation	03/12/2012
Ronald DeGregorio	Senior Vice President, Exelon Generation	03/05/2012
Thomas J. Dougherty	Senior Vice President, Mid-Atlantic Operations	05/18/2015
Daniel J. Enright	Senior Vice President, Midwest Operations	07/08/2013
J. Bradley Fewell	Senior Vice President, Regulatory Affairs	01/12/2015
Maggie FitzPatrick	Senior Vice President, State Government Affairs	08/29/2016
Gary Fromer	Senior Vice President, Load Response	08/22/2012
Ravi S. Ganti	Senior Vice President	08/01/2014
Scot A. Greenlee	Senior Vice President, Engineering & Technical Services	07/15/2013
Timothy K. Hanley	Senior Vice President, Nuclear Projects	11/02/2015
Bryan C. Hanson	Senior Vice President	07/08/2013
Corey Hessen	Senior Vice President, Proprietary Trading and Fuels	01/01/2017
Faber Kearney	Senior Vice President, Operations	11/02/2015
Walter J. Kuhn, Jr.	Senior Vice President, Wholesale Trading	08/26/2013
Susan R. Landahl	Senior Vice President, Organizational Effectiveness and Integrated Performance Assessment	06/01/2015
James McHugh	Senior Vice President, Portfolio Strategy	03/31/2016
Christopher H. Mudrick	Senior Vice President, Northeast Operations	05/18/2015
Carol R. Peterson	Senior Vice President, Strategy & Planning	01/12/2015
David Sikora	Senior Vice President, Engineering & Asset Management	09/02/2014
Bryan P. Wright	Senior Vice President, Exelon Generation	01/09/2013
Matthew Bauer	Vice President	03/24/2016
William A. Bergman	Vice President, Health & Benefits	08/01/2015
James J. Carty	Vice President, Northeast Region	03/12/2012

**Exelon Generation Company, LLC – (Continued)**

<b><u>Officers</u></b>		<b><u>Effective</u></b>
Vivek Chamria	Vice President, Proprietary Trading	12/17/2012
David Chung	Vice President, LNG	05/08/2014
Russell G. Coon	Vice President, Accreditation and Training Strategy	01/26/2015
Kyle B. Crowley	Vice President	10/26/2009
David C. Ellsworth	Vice President, Exelon Energy	02/15/2010
Elliott Flick	Vice President, Nuclear Engineering	09/05/2016
Michael P. Gallagher	Vice President, License Renewal and Decommissioning	04/27/2016
Vladimir Gorny	Vice President, Risk Analytics and International	01/26/2015
Karen L. Greig	Vice President, HR Operations, Exelon Generation	03/12/2012
Daniel L. Haught	Vice President, Construction & Project Management	09/02/2014
David Hochberg	Vice President, Natural Gas	03/03/2014
David M. Hoots	Vice President, Nuclear Oversight, Exelon Nuclear	01/07/2013
Jeanne M. Jones	Vice President, Finance Nuclear	10/06/2014
Keith R. Jury	Vice President, Licensing and Regulatory Affairs	03/30/2007
Susan Korn	Vice President, Nuclear Projects and Asset Management	01/25/2016
Marilyn C. Kray	Vice President, Nuclear Technology Strategy, ENP	03/03/2015
Jason Miller	Vice President, Origination	07/21/2014
Timothy Moore	Vice President, Fleet Support	03/02/2015
Joellen Burns Muntz	Vice President, Organizational Performance	02/22/2016
Mark Newcomer	Vice President, Outage & Planning Services	01/25/2016
Michael Pechin	Vice President, Wholesale Operations Exelon	09/14/2012
Kenneth S. Petersen	Vice President, Nuclear Fuels	08/22/2012
Judith Rader	Vice President, Communications	01/01/2017
Gerome Randle	Vice President, South Region	03/12/2012
Glen E. Robinson	Vice President, Mitigation & Integration	03/12/2012
Daniel M. Scobell	Vice President, Market Fundamentals and Transmission	05/28/2013
Julie Sickle	Vice President, Training	01/26/2015
Michael D. Smith	Vice President, Innovation & Strategy Development	03/31/2016
Robert Svalesson	Vice President, Nuclear Security	06/27/2016
William Swahl	Vice President, Mid-Atlantic Operations, Power	09/02/2014
Thomas D. Terry, Jr.	Vice President, Taxes	10/23/2005
Harald Ullrich	Vice President, Commercial Analytics	05/28/2013
Victoria K. Will	Vice President, Environmental Services	03/12/2012
Olufunmilayo (Funmi) Williamson	Vice President, Commercial Risk	03/09/2015
Edward W. Callan	Site Vice President, Three Mile Island	08/03/2015
Scott D. Darin	Site Vice President, Quad Cities Nuclear Power Station	01/15/2014
Mark Kanavos	Site Vice President, Byron Station	11/02/2015
Peter Karaba	Site Vice President, Dresden Nuclear Power Station	02/01/2016
Richard Libra	Site Vice President, Limerick Nuclear Power Station	06/22/2015

**Exelon Generation Company, LLC – (Continued)**

<b>Officers</b>		<b><u>Effective</u></b>
Marri Marchionda-Palmer	Site Vice President, Braidwood Station	11/02/2015
Shane M. Marik	Site Vice President, Fort Calhoun Station	01/04/2016
Gary L. Stathes	Site Vice President, Oyster Creek	12/19/2012
Theodore R. Stoner	Site Vice President, Clinton Nuclear Power Station	11/02/2015
William Trafton	Site Vice President, LaSalle Station	02/01/2016
Peter J. Kavanagh	Assistant Vice President, HR Shared Services	08/01/2015
Denis M. Eischen	Assistant Vice President, Taxes	09/14/2012
Robert A. Kleczynski	Assistant Vice President, Taxes	05/20/2010
Matthew Bauer	Controller	03/24/2016
Francis Idehen	Treasurer	03/28/2016
Bruce G. Wilson	Secretary	07/05/2010
Harold (Barry) Coulby	Assistant Treasurer	09/15/2016
Elisabeth J. Graham	Assistant Treasurer	05/16/2016
Brian Buck	Assistant Secretary	04/18/2016
Todd D. Cutler	Assistant Secretary	10/23/2005
David O. Dardis	Assistant Secretary	04/05/2016
J. Bradley Fewell	Assistant Secretary	01/08/2009
Scott N. Peters	Assistant Secretary	10/23/2005
Kevin D. Stepanuk	Assistant Secretary	01/08/2009
Noel H. Trask	Assistant Secretary	12/16/2006
Ronald L. Zack	Assistant Secretary	10/23/2005
J. Bradley Fewell	General Counsel	01/12/2015

**PECO Energy Company****Location:** P.O. Box 8699 – 2301 Market Street – Philadelphia, PA 19101**Type of Business:** Combination electric and gas utility**Directors**

		<b><u>Effective</u></b>
Craig L. Adams	Director	03/12/2012
Christopher M. Crane	Director	03/12/2012
M. Walter D'Alessio	Director	07/23/2007
Nicholas DeBenedictis	Director	03/03/2014
Nelson A. Diaz	Director	12/01/2015
Rosemarie B. Greco	Director	07/23/2007
Charisse R. Lillie	Director	01/01/2010
Denis P. O'Brien	Director	10/23/2005
Ronald Rubin	Director	07/23/2007

**Officers**

		<b><u>Effective</u></b>
Christopher M. Crane	Chairman	03/12/2012
Craig L. Adams	President	03/12/2012
Denis P. O'Brien	Vice Chairman	03/12/2012
Craig L. Adams	Chief Executive Officer	03/12/2012
Phillip S. Barnett	Chief Financial Officer	09/03/2007
Michael A. Innocenzo	Chief Operating Officer	04/22/2013
Phillip S. Barnett	Senior Vice President	09/03/2007
Michael A. Innocenzo	Senior Vice President	04/22/2013
Elizabeth A. Murphy	Senior Vice President, Regulatory & External Affairs	04/04/2016
Scott Bailey	Vice President	03/12/2012
William A. Bergman	Vice President, Health & Benefits	08/01/2015
Ronald A. Bradley	Vice President, Gas	11/09/2009
Ellen M. Cavanaugh	Vice President, Support Service	11/09/2009
Brian D. Crowe	Vice President, Transmission and Substations	04/04/2016
Romulo L. Diaz, Jr.	Vice President	03/12/2012
Anthony Gay	Vice President, Government & External Affairs	04/04/2016
Eric G. Helt	Vice President, Construction and Maintenance	05/05/2008
Frank J. Jiruska	Vice President, Customer Operations	04/22/2013
Mary T. Krick	Vice President, Human Resources	08/10/2009
Thomas D. Terry, Jr.	Vice President, Taxes	10/23/2005
David W. Weaver	Vice President, Technical Services	06/13/2016
Richard G. Webster	Vice President, Regulatory Policy and Strategy	03/12/2012
Peter J. Kavanagh	Assistant Vice President, HR Shared Services	08/01/2015
Sandra Brummitt	Assistant Vice President, Taxes	09/14/2012
Melissa Ciullo	Assistant Vice President	02/09/2017
Robert A. Kleczynski	Assistant Vice President, Taxes	10/23/2005
Donna Whitehead	Assistant Vice President, Taxes	09/15/2015
Scott Bailey	Controller	03/12/2012
Phillip S. Barnett	Treasurer	03/12/2012
Bruce G. Wilson	Secretary	04/30/2010
Elisabeth J. Graham	Assistant Treasurer	12/19/2016

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**PECO ENERGY CO – (Continued)****Officers**

		<b><u>Effective</u></b>
Francis Idehen	Assistant Treasurer	03/28/2016
Brian Buck	Assistant Secretary	04/25/2016
Romulo L. Diaz, Jr.	Assistant Secretary	05/01/2013
John C. Halderman	Assistant Secretary	04/01/2004
Scott N. Peters	Assistant Secretary	10/23/2005
Ronald L. Zack	Assistant Secretary	10/23/2005
Romulo L. Diaz, Jr.	General Counsel	03/12/2012

**Pepco Holdings LLC –****LOCATION:** 701 9<sup>th</sup> St NW, Washington DC 20068**Type of Business:** Public utility holding company**Directors**

		<b><u>Effective</u></b>
Christopher M. Crane	Director	03/23/2016
Christopher M. Crane	Chairman	03/23/2016
Linda Cropp	Director	03/23/2016
Michael Cryor	Director	03/23/2016
Ernest Dianastasis	Director	03/23/2016
Debra P. DiLorenzo	Director	03/23/2016
Denis P. O'Brien	Director	03/23/2016
Denis P. O'Brien	Vice Chairman	03/23/2016
David M. Velazquez	Director	03/23/2016

**Officers**

		<b><u>Effective</u></b>
David M. Velazquez	President	03/23/2016
David M. Velazquez	Chief Executive Officer	03/23/2016
J. Tyler Anthony	Chief Operating Officer	03/23/2016
Donna J. Kinzel	Chief Financial Officer	03/23/2016
J. Tyler Anthony	Senior Vice President	03/23/2016
Paul R. Bonney	Senior Vice President, Legal and Regulatory Strategy	04/05/2016
William Gausman *	Senior Vice President, Strategic Initiatives	03/23/2016
Donna J. Kinzel	Senior Vice President	03/23/2016
Kenneth J. Parker	Senior Vice President, Government and External Affairs	03/23/2016
Robert Aiken	Vice President	03/23/2016
O. Ray Bourland *	Vice President, Energy Policy Analysis	03/23/2016
Donna Cooper	Vice President, Pepco Regulatory President	03/23/2016
Gloria C. Godson	Vice President, PJM Strategy	03/23/2016
Marissa Humphrey	Vice President, Financial Planning and Analysis	03/23/2016
Karen Lefkowitz	Vice President, Smart Grid & Technology	03/23/2016
Vincent Maione	Vice President, Atlantic City Electric Regulatory President	03/23/2016
Michael W. Maxwell	Vice President, HR Operations	03/23/2016
John E. McDonald	Vice President, Integration & Synergies	03/23/2016
Kevin M. McGowan	Vice President, Regulatory Policy and Strategy	03/23/2016
Peter E. Meier	Vice President, Legal Services	03/23/2016
Miguel Ortega	Vice President, Technical Services	08/11/2016
Michael Poncia	Vice President, Customer Operations	03/23/2016
Wendy Stark	Vice President	03/23/2016
Gary R. Stockbridge	Vice President, Delmarva Power Regulatory President	03/23/2016
Jack Strausman	Vice President, Support Service	03/23/2016
Michael J. Sullivan	Vice President, Electric & Gas Operations	03/23/2016
Thomas D. Terry, Jr.	Vice President, Tax	03/23/2016
Denis M. Eischen	Assistant Vice President, Taxes	03/23/2016
Robert A. Kleczynski	Assistant Vice President, Taxes	03/23/2016

\*No longer an officer of the Company and will be removed upon official Board action, which is expected to occur on or about May 9, 2017.

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**Pepco Holdings LLC – (Continued)****Officers**

		<b><u>Effective</u></b>
Robert Aiken	Controller	03/23/2016
Donna J. Kinzel	Treasurer	03/23/2016
Bruce G. Wilson	Secretary	03/23/2016
Elisabeth J. Graham	Assistant Treasurer	05/02/2016
Francis Idehen	Assistant Treasurer	03/23/2016
Jeffery E. Snyder	Assistant Treasurer	03/23/2016
Brian Buck	Assistant Secretary	03/23/2016
Scott N. Peters	Assistant Secretary	03/23/2016
Jeffery E. Snyder	Assistant Secretary	03/23/2016
Wendy Stark	General Counsel	03/23/2016



**PHI Service Company****Location:** 500 N. Wakefield Drive, Mailstop 92DC42, Newark, DE 19702**Type of Business:** Public Utility Holding Company service company**Directors**

		<b><u>Effective</u></b>
Donna J. Kinzel	Director	03/23/2016
David M. Velazquez	Director	03/23/2016

**Officers**

		<b><u>Effective</u></b>
David M. Velazquez	President	03/23/2016
David M. Velazquez	Chief Executive Officer	03/23/2016
J. Tyler Anthony	Chief Operating Officer	03/23/2016
Donna J. Kinzel	Chief Financial Officer	03/23/2016
J. Tyler Anthony	Senior Vice President	03/23/2016
William Gausman *	Senior Vice President, Strategic Initiatives	03/23/2016
Donna J. Kinzel	Senior Vice President	03/23/2016
Kenneth J. Parker	Senior Vice President, Government & External Affairs	03/23/2016
Robert Aiken	Vice President	03/23/2016
O. Ray Bourland *	Vice President, Energy Policy Analysis	03/23/2016
Gloria C. Godson	Vice President, PJM Strategy	03/23/2016
Karen Lefkowitz	Vice President, Smart Grid & Technology	03/23/2016
Michael W. Maxwell	Vice President, HR Operations	03/23/2016
Kevin M. McGowan	Vice President, Regulatory Policy and Strategy	03/23/2016
Peter E. Meier	Vice President, Legal Services	03/23/2016
Michael Poncia	Vice President, Customer Operations	03/23/2016
Wendy Stark	Vice President	03/23/2016
Jack Strausman	Vice President, Support Service	03/23/2016
Michael J. Sullivan	Vice President, Electric & Gas Operations	03/23/2016
Thomas D. Terry, Jr.	Vice President, Tax	03/23/2016
J. Mack Wathen *	Vice President	03/23/2016
Denis M. Eischen	Assistant Vice President, Taxes	03/23/2016
Robert A. Kleczynski	Assistant Vice President, Taxes	03/23/2016
Robert Aiken	Controller	03/23/2016
Donna J. Kinzel	Treasurer	03/23/2016
Bruce G. Wilson	Secretary	03/23/2016
Francis Idehen	Assistant Treasurer	03/23/2016
Jeffery E. Snyder	Assistant Treasurer	03/23/2016
Brian Buck	Assistant Secretary	03/23/2016
Scott N. Peters	Assistant Secretary	03/23/2016
Wendy Stark	General Counsel	03/23/2016

\* No longer an officer of the Company and will be removed upon official Board action, which is expected to occur on or about May 9, 2017.

**Potomac Electric Power Company**Location: 701 9<sup>th</sup> St NW, Washington DC 20068

Type of Business: Electric utility

**Directors**

		<b><u>Effective</u></b>
J. Tyler Anthony	Director	03/23/2016
Christopher M. Crane	Director	03/23/2016
Christopher M. Crane	Chairman of the Board	03/23/2016
Donna J. Kinzel	Director	03/23/2016
Kevin M. McGowan	Director	03/23/2016
Denis P. O'Brien	Director	03/23/2016
Denis P. O'Brien	Vice Chairman	03/23/2016
Kenneth J. Parker	Director	03/23/2016
David M. Velazquez	Director	03/23/2016

**Officers**

		<b><u>Effective</u></b>
David M. Velazquez	President	03/23/2016
David M. Velazquez	Chief Executive Officer	03/23/2016
J. Tyler Anthony	Chief Operating Officer	03/23/2016
Donna J. Kinzel	Chief Financial Officer	03/23/2016
J. Tyler Anthony	Senior Vice President	03/23/2016
Paul R. Bonney	Senior Vice President, Legal and Regulatory Strategy	04/05/2016
William Gausman *	Senior Vice President, Strategic Initiatives	03/23/2016
Donna J. Kinzel	Senior Vice President	03/23/2016
Robert Aiken	Vice President	03/23/2016
Sandra Brummitt	Vice President, Tax	03/23/2016
Donna Cooper	Vice President	03/23/2016
Sandra Fisher	Vice President, Transmission and Substations	12/12/2016
Marissa Humphrey	Vice President, Financial Planning and Analysis	03/23/2016
Michael W. Maxwell	Vice President, HR Operations	03/23/2016
Kevin M. McGowan	Vice President, Regulatory Policy and Strategy	03/23/2016
Miguel Ortega	Vice President, Technical Services	11/18/2016
Michael Poncia	Vice President, Customer Operations	03/23/2016
Wendy Stark	Vice President	03/23/2016
Jack Strausman	Vice President, Support Service	03/23/2016
Michael J. Sullivan	Vice President, Electric & Gas Operations	03/23/2016
Thomas D. Terry, Jr.	Vice President, Tax	03/23/2016
Denis M. Eischen	Assistant Vice President, Taxes	03/23/2016
Robert A. Kleczynski	Assistant Vice President, Taxes	03/23/2016
Robert Aiken	Controller	03/23/2016
Donna J. Kinzel	Treasurer	03/23/2016
Bruce G. Wilson	Secretary	03/23/2016
Elisabeth J. Graham	Assistant Treasurer	05/02/2016
Francis Idehen	Assistant Treasurer	03/23/2016
Jeffery E. Snyder	Assistant Treasurer	03/23/2016
Brian Buck	Assistant Secretary	03/23/2016
Scott N. Peters	Assistant Secretary	03/23/2016

\*No longer an officer of the Company and will be removed upon official Board action, which is expected to occur on or about May 9, 2017.

**Atlantic City Electric Transition Funding LLC**

Location: 500 N. Wakefield Drive, Mailstop 92DC42, Newark DE 19702

Type of Business: Special purpose securitization entity

<u>Directors</u>		<u>Effective</u>
David M. Velazquez	Chairman	03/23/2016
<u>Officers</u>		<u>Effective</u>
David M. Velazquez	President	03/23/2016
David M. Velazquez	Chief Executive Officer	03/23/2016
Donna J. Kinzel	Chief Financial Officer	03/23/2016
Donna J. Kinzel	Senior Vice President	03/23/2016
Robert Aiken	Vice President	03/23/2016
Thomas D. Terry, Jr.	Vice President, Tax	03/23/2016
Denis M. Eischen	Assistant Vice President, Taxes	03/23/2016
Robert A. Kleczynski	Assistant Vice President, Taxes	03/23/2016
Robert Aiken	Controller	03/23/2016
Donna J. Kinzel	Treasurer	03/23/2016
Bruce G. Wilson	Secretary	03/23/2016
Jeffery E. Snyder	Assistant Treasurer	03/23/2016
Brian Buck	Assistant Secretary	03/23/2016
Scott N. Peters	Assistant Secretary	03/23/2016
Jeffery E. Snyder	Assistant Secretary	03/23/2016
Jonathan Lyman	Pending Election Consent	
<u>Managers</u>		<u>Effective</u>
Albert Fioravanti	Manager	03/23/2016
Donna J. Kinzel	Manager	03/23/2016
Kevin M. McGowan	Manager	03/23/2016
Leonard J. Padula	Manager	05/20/2016
David M. Velazquez	Manager	03/23/2016

**POM Holdings, Inc.****Location:** 701 9th St NW, Washington, DC 20068 c/o PHI**Type of Business:** Non-regulated investments (owned by Pepco)**Directors**

		<b><u>Effective</u></b>
Denis P. O'Brien	Director	03/23/2016
David M. Velazquez	Director	03/23/2016

**Officers**

		<b><u>Effective</u></b>
David M. Velazquez	President	03/23/2016
Donna J. Kinzel	Chief Financial Officer	03/23/2016
Donna J. Kinzel	Senior Vice President	03/23/2016
Thomas D. Terry, Jr.	Vice President, Tax	03/23/2016
Denis M. Eischen	Assistant Vice President, Taxes	03/23/2016
Robert A. Kleczynski	Assistant Vice President, Taxes	03/23/2016
Donna J. Kinzel	Treasurer	03/23/2016
Bruce G. Wilson	Secretary	03/23/2016
Jeffery E. Snyder	Assistant Treasurer	03/23/2016
Brian Buck	Assistant Secretary	03/23/2016
Scott N. Peters	Assistant Secretary	03/23/2016

# Exhibit 6

## **REGULATORY OVERSIGHT ON COST ALLOCATION AND PRICING BETWEEN REGULATED AND NON-REGULATED BUSINESSES**

PHI's costing policy between affiliates is subject to oversight from the state regulatory commissions of Delaware, Maryland, and New Jersey, as well as the District of Columbia. PHI's costing policy between affiliates is also subject to oversight by the Federal Energy Regulatory Commission (FERC). With respect to transactions with affiliates, the applicable standards for the regulated utilities within PHI holding company system are summarized below.

### **DELAWARE**

In Delaware, Delmarva Power & Light Company (DPL) is subject to a "Code of Conduct Governing Regulated Utility Activities and Competitive Activities," and the associated Settlement Agreement adopted by the Delaware Public Service Commission (DPSC) in Order No. 5469 in Docket No. 99-582, dated June 20, 2000 (DE Code of Conduct).

#### **Transfers of Services**

The DE Code of Conduct provides that transfers of services between DPL and Competitive Activities will be priced using asymmetrical pricing principles. For transfers from DPL to a Competitive Activity, the higher of fully allocated cost or market price; for transfers from a Competitive Activity to DPL, the lower of fully allocated cost or market prices shall apply; provided, however, that such asymmetrical pricing principles shall not apply to transfers of services between the shared services company (PHI Service Company) and DPL; and provided, further, that if the market price of such services is not reasonably ascertainable, fully allocated cost will be used.

"Competitive Activities" are defined to mean any business activities of DPL or its affiliates that are not Regulated Utility Activities; "Regulated Utility Activities" are defined to mean, at any given time, any of DPL's operations subject by law to regulation by, and the ratemaking authority of, any state utility commission or FERC.

#### **Transfer, Lease or Rental of Utility Assets**

The DE Code of Conduct provides that asymmetrical pricing principles will be applied to transfers of assets (i.e., transfers of assets from DPL to Competitive Activities should be recorded at the greater of book cost or market value, whereas transfers from Competitive Activities to DPL should be the lesser of book cost or market value).

## **MARYLAND**

In Maryland, DPL and Potomac Electric Power Company (Pepco) are subject to regulations set forth in COMAR Section 20.40 Affiliate Regulations adopted by the Maryland Public Service Commission (Maryland Code).

### **Transfer of Utility Assets**

The Maryland Code requires that, for any asset that has a book value of more than \$75,000 per item, or a total book value of \$1,000,000 (other than a transaction resulting from an open bidding process, including an auction or a request for proposal with an independent evaluator), asymmetric pricing principles will be applied to transfers of assets (i.e., transfers of assets from the utility to the affiliate should be recorded at the greater of book cost or market value, whereas transfers from the affiliate to the utility should be recorded at the lesser of book cost or market value). Asymmetric pricing does not apply to transactions between a utility and another utility, or any operating division of the same utility, which is regulated by the Maryland Public Service Commission or another state's utility regulatory body, regardless of the value of the transaction.

## **DISTRICT OF COLUMBIA**

In the District of Columbia, on February 1, 2011, the Commission issued Order No. 16189, adopting the new Chapter 39 “Affiliate Transactions Code of Conduct.” Pursuant to this Order, the Rules became effective upon the February 4, 2011 publication of the Affiliate Transactions Code of Conduct in the District of Columbia Register.

### **Transfer or Sale of Utility Assets**

The DC code requires that transfers of assets from an energy utility to an affiliate must be recorded on the utility’s books at the greater of net book cost or market value. Transfers of assets from an affiliate to the energy utility shall be at the lesser of net book cost or market value. Such asymmetric pricing shall not apply to any transaction resulting from a competitive bidding process.

## **NEW JERSEY**

Atlantic City Electric Company (ACE) was traditionally subject to Title 14 (Public Utilities), Chapter 4 (Energy Competition Standards), Subchapter 5 (Affiliate Relations, Fair Competition and Accounting Standards and Related Reporting Requirements) of the New Jersey Administrative Code and amendments thereto (jointly, the Original Standards). The Original Standards, which were adopted by the New Jersey Board of Public Utilities (the Board) on

March 15, 2000, were readopted in 2002 and thereafter amended and supplemented. The Original Standards — which were codified at N.J.A.C. 14:4-5.1 through 14:4-5.9 — expired on July 8, 2006. In 2007, the Board adopted a new Subchapter 5 of Chapter 4, “Energy Licensing and Registration,” without readopting the Original Standards or any other Affiliate Relations standards in another Subchapter. On April 15, 2008 (effective May 19, 2008), however, the Board adopted Subchapter 3 of Chapter 4, “Affiliate Relations” (the 2008 Standards). Until the 2008 Standards were adopted and effective, ACE continued to adhere to the Original Standards.

### **Transfers of Services**

Pursuant to N.J.A.C. 14:4-3.5(t), transfers of services not otherwise prohibited by the 2008 Standards are subject to the following pricing requirements: (1) transfers from ACE to a Retail Affiliate of services produced, purchased or developed for sale on the open market by ACE must be priced at no less than the fair market value; (2) transfers from a Retail Affiliate to ACE of services produced, purchased or developed for sale on the open market by the Retail Affiliate must be priced at no more than fair market value; (3) prices for services regulated by a state or federal agency will be deemed to be the fair market value; (4) services produced, purchased or developed for sale on the open market by ACE must be provided to Retail Affiliates and unaffiliated companies on a non-discriminatory basis, except as otherwise required or permitted by the 2008 Standards or other applicable law; (5) transfers from ACE to Retail Affiliates of services not produced, purchased or developed for sale on the open market by ACE must be priced at fully allocated cost; and (6) transfers from a Retail Affiliate to ACE of services not produced, purchased or developed for sale on the open market by the Retail Affiliate will be priced at the lower of fully allocated cost or fair market value.

### **Transfer, Lease or Rental of Utility Assets**

N.J.A.C. 14:4-3.5(u)(1) and (2) set forth the following pricing requirements for transfers, leases, rentals, licenses, easements or other encumbrances of utility assets, consistent with other applicable Board rules: (1) transfers, leases, rentals, licenses, easements or other encumbrances of utility assets from ACE to a Retail Affiliate will be recorded at fair market value or book value; and (2) transfers, leases, rental, licenses, easements or other encumbrances of assets from a Retail Affiliate to ACE will be recorded at the lesser of book value or fair market value.

“Retail Affiliate” is defined to include the corporate entities containing related competitive business segments of PHI providing or offering competitive services to retail customers in New Jersey.



## FERC

FERC requires asymmetric pricing principles for transfers of non-power goods or services between a franchised public utility that owns or provides transmission service (utility) and a market-regulated power sales affiliate (affiliate). *See* FERC Order No. 707. For purposes of these requirements, utilities include ACE, DPL and Pepco, and affiliates include Pepco Energy Services, Inc. (PESI) and its subsidiaries. Unless FERC grants a waiver of the requirement, if an affiliate transfers a non-power good or service to the utility, it must be priced no higher than the market price. Unless FERC grants a waiver of the requirement, if the utility transfers a non-power good or service to the affiliate, it must be priced at the higher of the cost or market price. FERC has granted a waiver to PHI to allow the continued use of cost-based pricing for three categories of transactions as follows: (1) non-power services provided by PHI's utilities to the PHI Service Company for the benefit of PHI's utilities; (2) non-power services in the form of general and administrative corporate services provided by PHI's utilities to the PHI Service Company; and (3) non-power services provided by PHI's utilities to certain affiliates. In addition, FERC granted waiver regarding future affiliate transactions that fall within these categories. *See Pepco Holdings, Inc.*, 141 FERC ¶ 61,034 (2012).

FERC permitted a centralized service company to continue its past practice of providing non-power goods and services to a utility at the SEC's "at cost" standard. FERC concluded in its Final Rule (FERC Order No. 667) with regard to the Repeal of PUHCA 1935 and Enactment of PUHCA 2005 that for holding companies that are currently using the SEC's "at-cost" standard for the provision of non-power goods or services by their traditional, centralized service companies, FERC will apply a presumption that the "at cost" pricing of the non-power goods and services that the traditional, centralized service company provides to utilities within their holding company system is reasonable, but parties may file complaints if they believe that use of "at cost" pricing results in costs that are above market price.

FERC requires that transfers of generating or transmission facilities between affiliates be priced at original cost undepreciated. FERC requires that transfers of jurisdictional contracts between affiliates be priced at total expected contract revenues. *See* FERC Order No. 669.

Unless FERC grants a waiver of the requirement, power sales transactions between a utility and an affiliate require prior and specific FERC authorization. PHI has obtained a waiver from FERC for this requirement. *See Delmarva Power & Light Company, et al.*, 94 FERC ¶ 61,068 (January 1, 2001) and *Potomac Electric Power Company, et al.*, 93 FERC ¶ 61,240 (December 12, 2000).

Supplements 1, 2, and 3 to the  
Pepco Holdings LLC Cost Allocation Manual  
Required for the District of Columbia

Pepco

Supplemental Information #1  
To Pepco Holdings LLC Cost Allocation Manual  
Required for DC

**Supplemental Information to Pepco Holdings Inc. Cost Allocation Manual  
(Required under DC Settlement Agreement- approving Pepco-Conectiv merger)**

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(1) A complete list and description of all transactions between Pepco and its affiliates	Exhibit 1
(2) A complete list and description of any asset transfers (including transfers subject to PUHCA and the transfers of intangible assets, electric energy and utility assets)	Exhibit 1
(3) All information required on FERC Form No. 1	Exhibit 1
(4) A copy of any new or changed contracts or agreements between Pepco and its affiliates	Exhibit 1
(5) A summary of all employee transfers between Pepco and any core affiliate during the prior year	Exhibit 1
(6) A listing of all variances granted from the code of conduct during the prior year	Exhibit 1
(7) Chart of accounts for Pepco	Exhibit 2
(8) A listing of General Ledger accounts used to calculate the Allocation Ratios	Exhibit 3

Potomac Electric Power Company  
Supplemental Information to Cost Allocation Manual  
For the Year Ended December 31, 2016

**A. Complete list and description of all transactions between Potomac Electric Power Company (Pepco) and its affiliates**

1. Facility Expenses

PHI Service Company leases the Edison Place office building from an unrelated third party. During 2016, the PHI Service Company charged Pepco for its proportionate share of the lease and any associated operating costs on a monthly basis.

In addition, Pepco has recorded on its books office furniture, equipment and leasehold improvements associated with the Edison Place building. In 2016, Pepco charged the PHI Service Company on a monthly basis for the related depreciation and amortization and some additional building maintenance costs.

There are also other inter company leases between Pepco and other PHI affiliates. The leases are for space that the affiliates occupy at Pepco-owned buildings including Benning, Control Center, Rockville and Forestville Service Centers and space that Pepco occupies at affiliate-owned buildings, e.g. office space used at a Delmarva Power & Light (DPL)-owned building (NCRO). During 2016, Pepco charged and received charges, for the proportionate share of the operating costs of these buildings on a monthly basis.

The net amount owed for the services described above were reimbursed in the following month.

2. Material and Storeroom Services

During 2016, Pepco provided material and the related stock handling services to the other PHI affiliates including the PHI Service Company. In addition, Pepco was provided material and the related stock handling services by other PHI affiliates during the year.

The net amount owed for the material and services described above were reimbursed in the following month.

### 3. Miscellaneous Services Provided by Pepco to Other PHI Affiliates

During 2016, Pepco provided limited support services to the other PHI affiliates including the PHI Service Company. Costs associated with these services were direct charged to the affiliates at a fully costed rate. This rate is referred to as the activity type price which includes direct costs such as labor, materials and supplies as well as indirect overhead and common support costs such as benefits, payroll taxes, pensions, post-employment benefits, vehicle costs, occupancy costs, information technology (IT) services and employee service costs. In addition, Pepco provided vehicles from its fleet departments which were used by other affiliates including the PHI Service Company. Pepco charged the affiliates for the usage based on the vehicle rate for the particular class of vehicle used. Pepco received reimbursement for these services including vehicle usage from the other affiliates.

Services provided by Pepco to the other affiliates included the following:

- Overhead and underground maintenance and construction services
- Storm restoration services
- Safety services
- Fabrication services associated with transmission and substation construction work
- Vehicle usage
- Engineering and planning services
- Network support, IT and training services
- Meter services
- Drafting services
- Safety services
- Communication services

### 4. Miscellaneous Services (charges) provided to Pepco by Affiliates Other than PHI Service Co.

During 2016, limited support services were provided to Pepco by other affiliates. Costs associated with these services were direct charged at a fully costed rate described above. Pepco reimbursed the affiliates for these costs.

Services provided to Pepco by other affiliates included the following:

- Construction and overhead and underground maintenance work on transmission and distribution facilities
- Engineering services

- Drafting services
- Work management services
- Communication services
- Vehicle usage
- Field Training services
- Community Affairs services
- Facility services
- System operation services
- Field Training services
- Meter services
- Safety services
- Storm restoration services

5. Monthly Services Provided to Pepco by PHI Service Company

During 2016, the PHI Service Company provided support services to Pepco. Costs associated with these services are charged to Pepco based on direct charging or through allocation of shared services (for those which cannot be directly charged) as described in the PHI Service Agreement in Exhibit 1 in the Cost Allocation Manual. The amount owed for the services were reimbursed in the following month.

Services provided to Pepco by the PHI Service Company include the following:

- Executive Management services
- Procurement and Administrative services
- Financial services and Corporate expenses
- Insurance Coverage and services
- Human Resources services
- Legal services
- Audit services
- Customer Services
- Information Technology services
- External Affairs services
- Environmental services
- Safety services
- Regulated Electric & Gas Delivery services
- Internal Consulting services

6. Monthly Services provided to Pepco by Exelon Business Services Company ( EBSC)

On March 23, 2016, PHI completed its merger with Exelon. From March 24, 2016 through the end of December 2016, certain corporate

services previously provided by PHI Service Company to Pepco are now being provided by EBSC. These corporate services relate to functions which provide support for all Exelon affiliates, including Pepco. These services are charged to Pepco based on direct charging and allocations as described in Exhibits 2 and 3 in the Cost Allocation Manual. The amount owed by Pepco for the services was reimbursed in the following month.

Services provided to Pepco by EBSC include the following:

- Financial services
- Human Resources services
- Telecommunication services
- Exelon Utilities Governance services
- Legal Governance services
- Executive services
- Supply services
- Communication services
- Regulatory and Government Affairs services
- Security services
- Real Estate services
- Other services

7. Customer Billings

Pepco billed certain federal government agencies as part of the General Services Administration area wide agreement for work performed by Pepco Energy Services (PES), including conservation projects. Pepco recorded the amount due from customers and the amount owed to PES. Payments received by Pepco from customers were remitted to PES.

8. Money Pool

During 2016 Pepco was eligible to participate in the PHI System Money Pool (Money Pool), which represents temporary surplus funds of PHI affiliate companies that are available for short term loans to PHI System companies with cash needs. Pepco can borrow from, and make loans to, the Money Pool, which is administered at cost by the PHI Service Company. On a monthly basis, interest expense or interest income is charged or credited, respectively, to Money Pool participants based on the daily average borrowing or investment position of each participant. In the past year, Pepco has restricted its participation in the money pool only to clear inter-company payments and to borrow if issuing commercial paper or borrowing from the credit facility is unavailable.

9. Services provided by Pepco to Pepco Holdings LLC.



During 2016, Pepco provided merger-related services to Pepco Holdings LLC (PHI). The costs associated with these services were direct charged to PHI. The amount owed was reimbursed in the following month.

10. Electricity Supply Requirements (Purchased Power)

Pepco procured a portion of its electricity supply requirements from Exelon Generation Company, LLC under its Maryland Public Service Commission and District of Columbia Public Service Commission approved market based Standard Offer Service (SOS) programs.

11. EHV Agreement- Joint-owned transmission facilities

Pepco is in the EHV (Extra-High Voltage) Agreement which controls obligations of jointly-owned 500kv transmission facilities. There are 8 other utilities in this Agreement including PECO Energy Co. which acts as the billing agent for the Agreement. Pepco reimbursed PECO on a monthly basis for its share of the carrying charges on the investments in the facilities.

12. Supplier Support charges

As a result of the customer choice program where customers may select another supplier other than PHI utilities, Pepco billed certain Exelon Generation affiliates for supplier support charges associated with preparing energy supplier support bills on behalf of the Exelon affiliates. These costs are charged to the Exelon affiliates based on the tariffed rates that are charged to all suppliers.

13. Intercompany Use of electricity

As the electric distribution utility, Pepco provided electricity during 2016 to facilities of Exelon's affiliates within Pepco's service territory, including PHI Service Company. The affiliates were billed as a regular retail customer for their electric usage.

Pepco was reimbursed for these costs.

14. Inter-Company Loans

None

**B. Complete list and description of any asset transfers (including transfers subject to PUHCA and the transfers of intangible assets, electric energy and utility assets)**

In 2016, Pepco transferred meters to Delmarva Power & Light Company (DPL), another PHI utility. The value of the asset transferred from Pepco's books was the net book value of the meters, \$42,778. DPL reimbursed Pepco for these costs.

**C. All information required on FERC Form No. 1**

The Company's 2016 FERC Form 1 Annual Report was filed with the FERC on April 17, 2017. As in prior years, one original and one copy of the report were filed with the Public Service Commission in April 2017.

**D. Copy of any new or changed contracts or agreements between Pepco and its affiliates**

In 2016, there were two new contracts awarded to W.A. Chester for low voltage work and work associated with construction of the Waterfront Substation project. In addition, in 2016, there was one change in a contract awarded to W.A. Chester in previous years for an extension to a Transmission Underground project.

Also, in December 2015, Pepco entered into a master agreement with PES under which PES may propose to provide services to Pepco to execute energy management and conservation projects for federal government agencies as part of the General Services Administration area wide agreement. As of December 31, 2016, Pepco and PES had not entered into a specific project agreement under the master agreement.

If requested, copies of these contracts can be forwarded under separate cover.

**E. Summary of all employee transfers between Pepco and any core affiliate during the prior year**

During 2016, there were no employees transferred between Pepco and any core service affiliate that provided retail electric or gas service in DC.

**F. Listing of all variances granted from the code of conduct during the prior year**

None.

PEPCO Chart of Accounts  
(as of 3/31/2017)

G/L Account	G/L Acct Long Text
101100	Property under Capital Lease (Manual)
101110	Capital Lease - Amortization (Manual)
101250	Asset Retirement Obligation (ARO) Asset - Electric
101410	Plant In Service - Electric
101411	Plant In Service - Electric - DC Distribution
101412	Plant In Service - Electric - MD Distribution
101417	Plant In Service - Electric - Transmission
101418	Plant In Service - Electric - General
101419	Plant In Service - Electric - Pepco Distribution
101611	Plant In Service - Intangible - Electric
105411	Plant Held for Future Use-Electric-DC Distribution
105412	Plant Held for Future Use-Electric-MD Distribution
106410	Plant Unclassified-Electric
106411	Plant Unclassified - Electric - DC Distribution
106412	Plant Unclassified - Electric - MD Distribution
106414	Plant Unclassified - Electric - Alloc Distribution
106417	Plant Unclassified-Electric-Transmission
106418	Plant Unclassified - Electric - General
106419	Plant Unclassified - Electric - Pepco Distribution
107100	Accruals-Capital-Reserve
107200	Assets Under Construction Adjustments
107300	Asset Under Construction - Accruals - General
107301	Asset Under Construction - Accruals - Distribution
107302	Asset Under Construction - Accruals - Transmission
107410	Asset Under Construction-Electric
107417	Asset Under Construction - Electric - Transmission
107418	Asset Under Construction - Electric - General
107419	Asset Under Construction-Electric-Pepco Distrib
108019	Insurance Proceeds
108250	Accm. Reserve-Asset Retirement Obligation-Electric
108261	Accum Depreciation - Adjustments - DC Distribution
108262	Accum Depreciation - Adjustments - MD Distribution
108266	Accum Depreciation-Adjustments-Alloc Distribution
108268	Accum Depreciation - Adjustments-Electric-General
108410	Accumulated Provision for Depreciation - Electric
108411	Accumulated Cost of Removal (RWIP) - Electric
108413	Salvage - Electric
108441	Accum. Cost of Removal (RWIP) DC Distrib-Contra
108442	Accum. Cost of Removal (RWIP) MD Distrib-Contra
108446	Accum. Cost of Removal (RWIP) Alloc Distrib-Contra
108447	Accum. Cost of Removal (RWIP) Transmission-Contra
108449	Accum. Cost of Removal (RWIP) Electric Gen-Contra
108451	Accum. Provision for Deprec.-Elec-DC Distribution

108452 Accum. Provision for Deprec.-Elec-MD Distribution  
108456 Accum. Prov. for Deprec.-Allocated Distribution  
108457 Accum. Provision for Deprec.-Electric-Transmission  
108458 Accum. Provision for Depreciation-Electric-General  
111710 Accum. Amortization-Limited Term Plant-Electric  
121400 Plant In Service - Non Utility  
122400 Accumulated Depreciation - Non Utility  
123265 Investment In POM Holdings  
128116 Other Special Funds-Deferred Comp  
128117 Other Special Funds - Deferred Comp - Trust 2  
128118 Other Special Funds - Deferred Comp PHI  
131000 Cash - General  
131001 Cash - Clearing  
131004 Cash Clearing - Solution One  
131050 Cash-In Transit - CIS  
134000 Other Special Deposits - General  
134005 Other Special Deposits - Restricted Funds (Current  
135001 Working Funds - General  
135161 Working Funds - Benefit Providers  
136000 Temporary Cash Investment - General  
142000 Customer Accounts Rec - General  
142001 Customer Accounts Rec - Credit Balances  
142011 Customer Accounts Rec - Unaccounted Cash  
142070 Customer Accounts Rec - Washington DC  
142120 Customer Accounts Rec - MD  
142121 Customer Accounts Rec - MD - Manual  
142149 Accounts Receivable - Customer Refunds Clearing  
142151 AR-MD DSM C&I Small Bus Energy Advance-Billing  
142211 AR - Supply Portion - MD  
142212 AR - Supply Portion - DC  
142450 Customer Accounts Rec-Merchandise  
143000 Accounts Receivable - General  
143100 A/R - Employee Reimbursements  
143118 A/R - Tuition Aid Reimbursement - Former Employees  
143119 A/R - Tuition Aid - Current Employees  
143150 Accounts Receivable - Asset Sales  
143199 Other Accounts Receivable-Contra-Reporting  
143700 Accounts Receivable-PJM Interchange-Transmission  
143726 Accounts Receivable-PJM Interchange-Distribution  
143900 Accounts Receivable Special Billing Unbilled  
143901 Accounts Receivable Special Billing  
144001 Provision for Uncollectible Accounts-Spec Billing  
144004 Provision for Uncollectible Accounts - MD  
144005 Provision for Uncollectible Accounts - Other  
144009 Provision for Uncollectible Accounts - DC Retail  
144011 Provision for Uncollectible POR - Pepco DC  
144012 Provision for Uncollectible POR - Pepco MD

146004 I/C - Pepco/PES - Special Billing Contract Work  
 146026 I/C-PHI Co/Exelon Business Service Company (10003)  
 146308 I/C-CIV Parent/Pepco 9999/7000  
 146398 I/C-Pepco/Constellation Pwr Source Gen (20028)  
 146431 I/C-Pepco/Exelon Generation Company, LLC (10100)  
 146437 I/C-Pepco/Baltimore Gas & Electric Company (20001)  
 146438 I/C-Pepco/PECO Energy Company (10200)  
 146440 I/C-Pepco/Exelon Corporation (10004)  
 146479 I/C-Pepco/Constellation NewEnergy, Inc. (20034)  
 146496 I/C-Accts Rec PHlco/EXC Not sttld w/ net Corp Acct  
 146498 I/C-Accounts Rec Not Settled-Contra-Reporting  
 146499 I/C-Accounts Receivable-Contra-Reporting  
 146506 I/C-PEPCO / ACE 7000/1500  
 146972 I/C-PEPCO / PCI 7000/7400  
 146974 I/C-PEPCO / PEPCO Energy Services 7000/7700  
 146976 I/C-PEPCO / PHISC 7000/9000  
 146996 I/C-PEPCO / DPL 7000/1000  
 154000 Material & Operating Supplies - General  
 154080 Inventory - Blocked Stock  
 154099 Materials-Reserve for Obsolete Material  
 154100 Materials & Supplies - Manual  
 158130 Renewable Energy Credits - MD  
 158133 Renewable Energy Credits - DC  
 165000 Prepayments - General  
 165100 Prepayments - Other Taxes  
 165206 Prepayments - Workmen's Compensation  
 165211 Prepayments - Fire Insurance  
 165213 Prepayments - Ordinary Life  
 165340 Prepayments - Payroll Related  
 165406 Prepayments-Postage General  
 171000 Int & Div Receivable - General  
 171080 FIN 48 Interest Receivable-Federal-Gross-Current  
 172000 Rents Receivable - General  
 172901 Rents Receivable - CATV(Reconciliation)  
 172902 Rents Receivable-Special Billing (Reconciliation)  
 173100 Accrued Utility Revenue - Unbilled Revenue  
 181000 Unamortized Debt Expense - General  
 181101 Unamortized Debt Expense - First Mortgage Bonds  
 182180 Regulatory Assets-Current-Corp Acctg (Reporting)  
 182181 Regulatory Assets-Contra-Corp Acctg (Reporting)  
 182182 Regulatory Assets-SFAS 109-Current (Reporting)  
 182183 Regulatory Assets-SFAS 109-Contra (Reporting)  
 182185 Regulatory Assets-SFAS 109-Netting (Reporting)  
 182186 Reg Asset-MD Dfd Energy Supply-Netting (Reporting)  
 182188 Regulatory Assets-Current-Rev Acctg (Reporting)  
 182189 Regulatory Assets-Contra-Rev Acctg (Reporting)  
 182250 Regulatory Assets - Asset Retirement Obligation

182261 Regulatory Assets - MD Grid Resiliency Charge  
182270 Regulatory Assets - DC Recovery - Base  
182271 Regulatory Assets - MD Recovery - Base  
182280 Regulatory Assets - DC  
182281 Regulatory Assets - MD  
182300 Other Regulatory Assets - General  
182345 Reg Assets-MD Bill Stabilization Aj (BSA) Deferral  
182346 Reg Assets-DC Bill Stabilization Aj (BSA) Deferral  
182347 Regulatory Assets - DC Power Line Undergrounding  
182366 DSM - Energy Efficient Products - Community - MD  
182394 Regulatory Assets - DSM - Direct Load Control - MD  
182396 Regulatory Assets - DSM - Direct Load Control - DC  
182419 Regulatory Assets-Elec Gen'I-Current-Asset Acctg  
182429 Regulatory Assets-Elec Gen'I-Contra-Asset Acctg  
182441 Regulatory Assets-DC Dist-Removal Cost (Reporting)  
182442 Regulatory Assets-MD Dist-Removal Cost (Reporting)  
182447 Regulatory Asset-Transmission-Removal Cost (Reptg)  
182449 Regulatory Assets-Elec Gen'I-Removal Cost (Reptg)  
182500 Other Reg Assets - Income Tax Recov thru Rates  
182508 Reg Assets-Third Party Supplier Recovery-MD Dist  
182515 Regulatory Asset - Wks Comp/LT Disability Accrual  
182521 Other Regulatory Assets - MD SOS Transmission Cost  
182524 Other Regulatory Assets - DC SOS Energy Costs  
182525 Other Regulatory Assets - DC SOS Transmission Cost  
182526 Other Reg Assets - DC SOS Administrative Charge  
182537 Regulatory Assets-DC Residential Aid  
182538 Reg Assets-FERC Formula Rate Adj-Transmission Svc  
182544 Regulatory Asset-Return on Blueprint Reg Asset-DC  
182545 Regulatory Asset -Control Center Replacement Parts  
182546 Regulatory Asset -Control Center - EMS  
182547 Regulatory Asset- District of Columbia (DC) Meters  
182548 Regulatory Asst-Meters-Incremental Depreciation-DC  
182552 Regulatory Asset- Maryland Meters  
182553 Regulatory Asst-Meters-Incremental Depreciation-MD  
182556 Reg Asset-Blueprint for the Future-DC Distribution  
182557 Reg Asset-Blueprint for the Future-MD Distribution  
182571 Regulatory Asset Contra - DC AMI Savings  
182572 Regulatory Asset Contra - MD AMI Savings  
182900 FAS 109 - Regulatory Asset Electric  
184100 Clearing-Goods Received/Invoice Received  
184200 Clearing supplier discounts (Net method)  
184310 Suspense Account - Payroll  
184320 Clearing Acct-Third Party Reimbursement Addition  
184321 Clearing Acct-Third Party Reimbursement Removal  
184322 Clearing Acct-Third Party Reimbursement 101 Reimb  
184323 Clearing Acct-Third Party Reimbursement Settlement  
186000 Miscellaneous Deferred Debits - General

186102 Suspense - Cash Management  
 186140 AMI - Recoverable - DC  
 186243 Misc Deferred Debits - Long-Term Receivables  
 186250 Misc Deferred Debits-Officer's Life Insurance  
 186251 Misc Deferred Debits-COLI Plan  
 186263 Deferred Debits - Payment Plan - Long-Term  
 186303 SERP Asset (Reporting)  
 186308 Prepaid Pension Costs  
 189000 Unamortized Loss on Reacquired Debt - General  
 189300 Unamortized Loss - Pollution Bonds  
 189400 Unamortized Loss - First Mortgage Bonds  
 190050 Deferred Income Tax - Federal - NOL's - Long-term  
 190060 Def Inc Tax Asset-Fed-Contribution Limitation L/T  
 190100 Def Inc Tx-Acc Fed Def Inc Tax  
 190101 FIN48 Def Inc Tx-Acc Fed Def Inc Tax-LT-Contra  
 190200 Def Inc Tx-Acc State Def Inc Tax  
 190201 FIN48 Def Inc Tx-Acc State Def Inc Tax-LT-Contra  
 190250 Deferred Income Tax Asset-State-NOL  
 190500 Def Inc Tx-Investment Tax Credit-Federal  
 190510 Def Inc Tx-Investment Tax Credit-State  
 190860 State Income Tax Receivable-Non-current  
 190900 SFAS109-Deferred Tax Asset Electric  
 201000 Common Stock Issued - General  
 207000 Premium on Capital Stock - General  
 209000 Reduction in Par Value - Capital Stock  
 210000 Gain on Resale or Canc of Reacq Cap Stk - General  
 211000 Paid in Capital - General  
 216000 Unappropriated Retained Earnings - General  
 216200 Dividends Declared-Common Stock  
 221100 Bonds Payable - First Mortgage Bonds  
 224001 Project Financing Debt - Long-Term  
 224501 Project Financing Debt - Current Portion  
 225000 Bonds Payable-Unamortized Premium - General  
 226000 Bonds Payable-Unamortized Discount - General  
 226100 Commercial Paper-Unamortized Discount  
 227000 Obligations under Capital Lease - Noncurrent - Gen  
 227099 Obligations under Capital Lease-Contra-Reporting  
 231000 Notes Payable - Commercial Paper  
 232000 Accounts Payable Reconciliation - General  
 232004 Cashed Checks - A/P  
 232012 Outstanding Checks - A/P  
 232022 Outstanding Checks - Overdraft Offset  
 232150 Accounts Payable - Internet Returns  
 232199 Accounts Payable-Contra-Reporting  
 232200 Accounts Payable Reconciliation Employee Advances  
 232400 Accounts Payable Accrual  
 232401 Accounts Payable - Standing Accruals

232402 Accounts Payable Accrual-Corporate  
232404 Accounts Payable Accrual - Financing Arrangements  
232430 Accounts Payable Accrual - Purchased Power - MD  
232431 Accounts Payable Accrual - Purchased Power - DC  
232434 Accounts Payable-PJM Interchange-Distribution  
232456 Accounts Payable-Monthly Accruals  
232500 Accounts Payable-Wages Payable  
232502 Accounts Payable-Accrued Payroll  
232625 AP-P/R Savings & Thrift Vanguard  
232650 Accounts Payable - Third Party Supplier  
232654 Inactive Retail Customer Accounts - Credits  
234000 Accounts Payable to Associated Companies - General  
234015 A/P-I/C Billing Reconciliation  
234497 I/C-Accts Pay PHlco/EXC No Legal Offset-Corp Acct  
234498 I/C Accounts Payable Not Settled-Reporting  
234499 I/C Accounts Payable-Reporting  
235120 Customer Deposits - MD  
235140 Customer Deposits - Washington DC  
236001 Federal Income Taxes Payable - Prior Year  
236002 Federal Income Taxes Payable - Current Year  
236003 Federal Income Taxes Payable - Previous Years  
236100 Federal Incomes Taxes Accrued - Current  
236110 Federal Incomes Taxes Accrued - Prior Year  
236123 MD State Income Taxes Payable - Previous Years  
236170 OT Sep Co Income Taxes Payable - Previous Years  
236210 State Income Taxes Accrued - Prior Year  
236250 Taxes Accrued - Taxes other than income taxes  
236292 Use Tax Payable  
236293 Virginia Use Tax Payable  
236294 Use Tax Payable-DC  
236314 Accrued Payroll Taxes - Manual  
237025 FIN 48 Interest Payable-Federal-Gross-Current  
237100 Interest Accrued - Customer Deposits  
237200 Interest Accrued - First Mortgage Bonds  
241000 Tax Collections Payable - General  
241200 Maryland Environmental Surcharge  
241300 Maryland Sales Tax Payable  
241335 Gross Receipts Tax Payable  
241340 G/R Tax Payable-Washington DC  
241365 Washington DC Sales Tax Payable  
241375 Sales Taxes Payable  
241750 PG County Energy Tax Payable  
242009 Accrued Liab-Environmental Site Exp - Short-Term  
242151 Ac Lib-MD DSM C&I Small Bus Energy Advance-Billing  
242196 Liabilities-SERP (92420L) - Contra - Reporting  
242198 Liabilities-Disability (92420L)-Contra-Reporting  
242199 Liab-Workers Comp (92420L)-Contra-Reporting



242200 Accrued Liab-Required Health Claims Reserve  
 242201 Accrued Liab-General Liability  
 242202 Accrued Liabilities - Workers Comp - Current  
 242204 Accrued Liab-Auto Liability  
 242208 Accrued Liabilities - Disability - Current  
 242212 Accrued Liabilities - Workers Comp - Long-term  
 242214 Accrued Liability-Claims-Contra (Reporting)  
 242218 Accrued Liabilities - Disability - Long-term  
 242402 Accrued Liab-LTIP  
 242404 Accrued Liability - PHI Incentive Plan  
 242413 Loans against Life Insurance Contract Investments  
 242415 Accrued Severance  
 242417 Accrued Severance - Long-Term  
 242418 Accrued Severance - Contra  
 242450 Accrued Liab-SERP  
 242497 Accrued Liab-Sick Pay Carryover  
 242498 Accrued Liab-Vacation  
 242540 Accrued Liab-Unclaimed Monies - Escheat Pending  
 242611 Accrued Liab-OPEB  
 242634 Accrued Liability - MD SOS Collateral  
 242636 Accrued Liability - Retail Supplier Deposits  
 242637 Accrued Liability - DC SOS Collateral  
 242642 Accrued Liability - Other Energy Purchased - MD  
 242643 Accrued Liability - Other Energy Purchased - DC  
 242657 Accrued Liability-MD Office of Home Energy Program  
 242731 Accrued Charitable Contributions-MD-Current  
 242732 Accrued Charitable Contributions-DC-Current  
 242967 Merger Commitments  
 243000 Obligations under Capital Lease - General  
 252000 Customer Advances for Construction - General  
 253000 Deferred Credits-General  
 253020 Deferred Credit-Customer Deposits-Spec Bill-Rents  
 253021 Deferred Credit-Customer Deposits-Spec Bill-Escrow  
 253023 Deferred Credit-Special Billing  
 253099 Liability-Environmental (925300)-Contra-Reporting  
 253199 Liability-Deferred Comp (92530P)-Contra-Reporting  
 253214 Accrued Liability-Claims-Long-Term (Reporting)  
 253307 Acc Liab - Deferred Comp LT -Old Plans  
 253310 Acc Liab - Deferred Comp LT - Active Plans  
 253311 Acc Liab - Deferred Comp ST - Active Plans  
 253312 Acc Liab - Deferred Comp ST -Old Plans  
 253402 Accrued Liability - LTIP - Non-Current  
 253731 Accrued Charitable Contributions-MD-Non-Current  
 253732 Accrued Charitable Contributions-DC-Non-Current  
 254000 Other Long-Term Liabilities  
 254008 Asset Retirement Obligation-Electric Utility Plant  
 254011 Regulated Liab - Removal Costs - DC Distribution

254017 Regulated Liab - Removal Costs - Transmission  
254018 Oth Regulated Liab - Removal Costs - FAS 143  
254019 Regulated Liab - Removal Costs - Electric-General  
254031 Regulated Liab-Removal Costs-DC Distrib-Offset  
254032 Regulated Liab-Removal Costs-MD Distrib-Offset  
254036 Regulated Liab-Removal Costs-Alloc Distrib-Offset  
254037 Regulated Liab-Removal Costs-Transmission-Offset  
254039 Regulated Liab-Removal Costs-Electric Gen'l-Offset  
254180 Regulatory Liability-Current-Corp Acct (Reporting)  
254181 Regulatory Liability-Contra-Corp Acctg (Reporting)  
254185 Regulatory Liability-SFAS 109-Netting (Reporting)  
254186 Reg Liab-MD Dfd Energy Supply-Netting (Reporting)  
254188 Regulatory Liability-Current-Rev Acct (Reporting)  
254201 Accrued Liab-Environmental Site Exp - Long-Term  
254250 Oth Reg Liab-Asset Retirement Obligation-Electric  
254252 Reg Liab-Asset Retirement Oblig-Electric-Contra  
254261 Regulatory Liability-MD Grid Resiliency Charge  
254264 Reg Liab-MD Dynamic Pricing/Critical Pk Rebate Cr  
254287 Regulatory Liability - MD Surcharge  
254288 Regulatory Liability - MD - Base  
254290 Regulatory Liability - MD - Other  
254416 Regulatory Liab-Alloc Dist-Current-Asset Acctg  
254419 Regulatory Liab-Elec Gen'l-Current-Asset Acctg  
254421 Regulatory Liability-DC Dist-Contra-Asset Acctg  
254422 Regulatory Liability-MD Dist-Contra-Asset Acctg  
254426 Regulatory Liab-Alloc Dist-Contra-Asset Acctg  
254427 Regulatory Liab-Transmission-Contra-Asset Acctg  
254429 Regulatory Liab-Elec Gen'l-Contra-Asset Acctg  
254509 Reg Liab-Third Party Supplier-DC Distribution  
254520 Other Regulatory Liability - MD SOS Energy Costs  
254522 Other Reg Liability - MD SOS Administrative Charge  
254538 Reg Liab-FERC Formula Rate Adj-Transmission Svc  
254900 SFAS109-Regulatory Liability Electric  
255000 Unamortized Investment Tax Credits  
282100 Def Inc Tx - Property - Fed Def Inc Tax  
282200 Def Inc Tx - Property - State Def Inc Tax  
282900 SFAS109-Def Tax Liab Plant Electric  
283100 Deferred FIT - NonCurrent  
283101 Deferred FIT - Property  
283200 Def Inc Tax-Other-State Def Inc Tax  
283205 Deferred SIT Tax MD - NonCurrent  
283206 Deferred SIT Tax MD - Property  
283270 Deferred SIT Tax OT Unitary - NonCurrent  
283271 Deferred SIT Tax OT Unitary - Property  
283900 SFAS109-Def Tax Liab Plant Electric  
400100 Inter Company-Revenues

420199 Inter Company-Lease Revenue-Edison Place  
420201 Inter Company-Lease Expense-Buildings  
420206 Inter Company-Lease Expense-PHISCO Buildings  
420299 Inter Company-Lease Expense-Edison Place  
427310 I/C Power Sales-Pepco / PES 7000/7700  
427312 I/C Use of Power-Sales-Pepco / PHISCO 7000/9000  
427323 I/C Use of Power-Sales-Gen & Trans-Pep/PHISCO  
440117 Inter Co Revenue-Other  
440200 BSC Direct Charges  
440201 BSC Allocated Charges  
440212 I/C Purchased Power Exp-Electric Distribution-MD  
440213 I/C Purchased Power Exp-Electric Distribution-DC  
440217 I/C Expense - Other (O&M)  
510072 Revenue-Over/Under Recovery-MD (Reporting)  
510073 Revenue-Over/Under Recovery-DC (Reporting)  
510075 Revenue-Neutralization (Over/Under) Recovery  
510090 Revenue-Contra-Intercompany (Reporting)  
511101 Revenue-DC Residential Electric Distribution  
511103 Revenue-DC SOS Residential Electric Transmission  
511104 Revenue-DC Residential Electric Generation  
511105 Revenue-MD Residential Electric Distribution  
511106 Revenue-MD Residential Electric Demand Side Mgmt.  
511107 Revenue-MD SOS Residential Electric Transmission  
511108 Revenue-MD Residential Electric Generation  
511121 Revenue-MD Capacity Gap Surcharge-Resid  
511122 Revenue-MD Residential Electric-Gross Receipts Tax  
511124 Revenue-MD Capacity Gap Surcharge-Resid-Manual  
511125 Revenue-MD Residential Elec-Gross Receipt Tx-Man'l  
511126 Revenue-DC Residential Electric Distribution-Man'l  
511127 Revenue-DC SOS Residential Elec Transmission-Man'l  
511128 Revenue-DC Residential Electric Generation-Manual  
511129 Revenue-MD Residential Electric Distribution-Man'l  
511131 Revenue-MD SOS Residential Elec Transmission-Man'l  
511132 Revenue-MD Residential Electric Generation-Man'l  
511145 Revenue-MD Dynamic Pricing/Critical Peak Rebate Cr  
511151 Rev-DC Residential Electric-Administrative Credit  
511152 Rev-MD Residential Electric-Administrative Credit  
511155 Rev-DC Residential Elc-Administrative Credit-Man'l  
511156 Rev-MD Residential Elc-Administrative Credit-Man'l  
511172 Rev-DC Residential-Procurement Cost Adjustmt-Man'l  
511173 Rev-MD Residential-Procurement Cost Adjustmt-Man'l  
511176 Rev-DC Residential-Procurement Cost Adjustment  
511177 Rev-MD Residential-Procurement Cost Adjustment  
511221 Revenue - DC Bill Stabilization Adjustment (BSA)

511231 Revenue-MD Residential Opt-Out Upfront Fee  
 511232 Revenue-MD Residential Opt-Out-Manual  
 511235 Revenue-Energy Wise Reward Resid Particip Cred-Pep  
 511301 Rev-DC Residential Electric Unbilled Distribution  
 511302 Rev-DC Residential Electric Unbilled Transmission  
 511303 Rev-DC Residential Electric Unbilled Generation  
 511304 Rev-MD Residential Electric Unbilled Distribution  
 511305 Rev-MD Residential Electric Unbilled Transmission  
 511306 Rev-MD Residential Electric Unbilled Generation  
 511321 Rev - DC Bill Stabilization Adjustment - Unbilled  
 511322 Rev - MD Bill Stabilization Adjustment - Unbilled  
 511351 Rev-DC Res Elec - Administrative Credit - Unbilled  
 511352 Rev-MD Res Elec - Administrative Credit - Unbilled  
 511361 Revenue-DC Residential Aid Credit  
 511371 Revenue-DC RAD Surcharge-Residential  
 511376 Rev-DC Res Elec-Procurement Cost Adj - Unbilled  
 511377 Rev-MD Res Elec-Procurement Cost Adj - Unbilled  
 512101 Rev-DC Commercial Elec - Secondary - Distribution  
 512103 Rev-DC Commercial Elec - Secondary - Transmission  
 512104 Rev-DC Commercial Elec - Secondary - Generation  
 512105 Rev-MD Commercial Elec - Secondary - Distribution  
 512106 Rev-MD Commercial Elec - Secondary - DSM  
 512107 Rev-MD Commercial Elec - Secondary - Transmission  
 512108 Rev-MD Commercial Elec - Secondary - Generation  
 512121 Rev-MD Commercial Elec-Gross Receipts Tax-Manual  
 512122 Rev-MD Commercial Electric - Gross Receipts Tax  
 512123 Rev-DC Commercial Elc-Secondary-Distribution-Man'l  
 512124 Rev-DC Commercial Elc-Secondary-Transmission-Man'l  
 512125 Rev-DC Commercial Elc-Secondary-Generation-Man'l  
 512126 Rev-MD Commercial Elc-Secondary-Distribution-Man'l  
 512128 Rev-MD Commercial Elc-Secondary-Transmission-Man'l  
 512129 Rev-MD Commercial Elec-Secondary-Generation-Manual  
 512151 Rev-DC Commercial Electric-Administrative Credit  
 512152 Rev-MD Commercial Electric-Administrative Credit  
 512155 Rev-DC Commercial Elec-Administrative Credit-Man'l  
 512156 Rev-MD Commercial Elec-Administrative Credit-Man'l  
 512176 Rev-DC Commercial-Procurement Cost Adjustment  
 512177 Rev-MD Commercial-Procurement Cost Adjustment  
 512180 Rev-DC Commercial-Procurement Cst Adjustment-Man'l  
 512181 Rev-MD Commercial-Procurement Cst Adjustment-Man'l  
 512221 Revenue-MD Capacity Gap Surcharge-Commercial  
 512223 Revenue-MD Capacity Gap Surcharge-Comm-Manual  
 512230 Revenue-MD Commercial Opt-Out  
 512231 Revenue-MD Commercial Opt-Out Upfront Fee  
 512235 Revenue-Energy Wise Reward Comm Particip Cred-Pep

512371 Revenue-DC RAD Surcharge-Commercial  
512372 Revenue-DC RAD Surcharge-Rapid Transit  
512401 Rev-DC Commercial Electric-Unbilled Distribution  
512402 Rev-DC Commercial Electric-Unbilled Transmission  
512403 Rev-DC Commercial Electric-Unbilled Generation  
512404 Rev-MD Commercial Electric-Unbilled Distribution  
512405 Rev-MD Commercial Electric-Unbilled Transmission  
512406 Rev-MD Commercial Electric-Unbilled Generation  
512451 Rev-DC Comm Elec-Administrative Credit-Unbilled  
512452 Rev-MD Comm Elec-Administrative Credit-Unbilled  
512476 Rev-DC Comm Elec-Procurement Cost Adj-Unbilled  
512477 Rev-MD Comm Elec-Procurement Cost Adj-Unbilled  
512480 Rev-DC Rapid Transit Elec-Unbilled Distribution  
512481 Rev-MD Rapid Transit Elec-Unbilled Distribution  
514101 Rev-DC Public Street & Hywy Electric-Distribution  
514104 Rev-DC Public Street & Hywy Electric-Generation  
514105 Rev-MD Public Street & Hywy Electric-Distribution  
514106 Rev-MD Public Street & Hywy Electric-DSM  
514108 Rev-MD Public Street & Hywy Electric-Generation  
514122 Rev-MD Public Strt & Hwy Elec-Gross Receipts Tax  
514123 Rev-DC Public Street & Hwy Elec-Distribution-Man'l  
514125 Rev-DC Public Street & Hwy Elec-Generation-Manual  
514126 Rev-MD Public Street & Hwy Elec-Distribution-Man'l  
514129 Rev-MD Public Street & Hwy Elec-Generation-Manual  
514151 Rev-DC Public St & Hywy Elec-Administrative Credit  
514152 Rev-MD Public St & Hywy Elec-Administrative Credit  
514155 Rev-DC Public St & Hwy Elec-Administ Credit-Manual  
514156 Rev-MD Public St & Hwy Elec-Administ Credit-Manual  
514176 Rev-DC Public St & Hywy Elec-Procurement Cost Adj.  
514177 Rev-MD Public St & Hywy Elec-Procurement Cost Adj.  
514180 Rev-DC Public St & Hwy Elec-Procure Cost Adj-Man'l  
514181 Rev-MD Public St & Hwy Elec-Procure Cost Adj-Man'l  
514201 Rev-DC Public St & Hywy Elec-Unbilled-Distribution  
514203 Rev-DC Public St & Hywy Elec-Unbilled-Generation  
514204 Rev-MD Public St & Hywy Elec-Unbilled-Distribution  
514206 Rev-MD Public St & Hywy Elec-Unbilled-Generation  
514230 Rev-DC Public St & Hywy Elec-Unbilled-Admin Credit  
514231 Rev-MD Public St & Hywy Elec-Unbilled-Admin Credit  
514240 Rev-DC Pub St & Hyw Elec-Unbilled-Procure Cost Adj  
514241 Rev-MD Pub St & Hyw Elec-Unbilled-Procure Cost Adj  
514371 Revenue-DC RAD Surcharge-Public Street Lighting  
516051 Rev-DC Railroad & Traction Service-Distribution  
516054 Rev-MD Railroad & Traction Service-Distribution  
516063 Rev-DC Railroad & Traction Svc-Distribution-Manual  
516065 Rev-MD Railroad & Traction Svc-Distribution-Manual  
516070 Rev-MD Capacity Gap Surcharge-Railroad & Traction  
516071 Rev-MD Railroad & Traction Service-DSM

516072 Rev-DC Railroad & Traction Service-Admin Credit  
 516214 Rev-Sys-Network Transmission Service Credit  
 516225 Rev-DC SOS-Transmission Losses  
 516226 Rev-MD SOS-Transmission Losses  
 516230 Rev-System-Auction Revenue Rights-DC SOS  
 516231 Rev-System-Auction Revenue Rights-MD SOS  
 516235 Rev-System-Capacity-DC SOS  
 516236 Rev-System-Capacity-DC DSM  
 516237 Rev-System-Capacity-MD SOS  
 516238 Rev-System-Capacity-MD DSM  
 516243 Revenue-Sys-Transmission Enhancement Cr-DC SOS  
 516244 Revenue-Sys-Transmission Enhancement Cr-MD SOS  
 516248 Rev-System-Energy-MD DSM  
 516254 Rev-Sys-Emergency Energy Sales-MD SOS  
 516256 Rev-Sys-Emergency Energy Sales-DC SOS  
 516258 Rev-Other Supporting Facilities-SMECO  
 516260 Rev-System-Energy-DC DSM  
 516263 Rev-Net Energy Metering-PJM Settlement A-MD SOS  
 516265 Rev-Net Energy Metering-PJM Settlement A-DC SOS  
 519101 Rev-DC Late Payments-Electric-Distribution  
 519102 Rev-DC Late Payments-Electric-Generation  
 519103 Rev-MD Late Payments-Electric-Distribution  
 519104 Rev-MD Late Payments-Electric-Generation  
 519500 Rev-Misc Service Revenue - Electric  
 520100 Rev-Rent Electric/Gas  
 520500 Rev-Other Rev Electric  
 520510 Rev-Scheduling, System Control & Dispatch  
 520519 Rev-FFR-Transmission Service - Firm  
 520522 Rev-DC SOS-Transmission Service-Non-firm  
 520523 Rev-MD SOS-Transmission Service-Non-firm  
 520525 Rev-Transmission Oth-Transmission Service-Non-firm  
 520601 Rev-DC Other-Electric-Returned Check Charge  
 520602 Rev-MD Other-Electric-Returned Check Charge  
 520606 Rev-DC Other-Electric-Connect Charges  
 520607 Rev-MD Other-Electric-Connect Charges  
 520617 Rev-Pepco MD Other-Electric-Customer Svc Credits  
 520618 Rev-Pepco DC Other-Electric-Customer Svc Credits  
 520633 Rev-Net Energy Metering-PJM Settlement B-MD SOS  
 520635 Rev-Net Energy Metering-PJM Settlement B-DC SOS  
 530000 Gain on Disp of Property  
 531003 Impairment Charge  
 531009 Gain on Asset Sale (Operating Expense)  
 531019 Loss on Asset Sale (Operating Expense)  
 620000 Miscellaneous Nonoperating Income  
 620002 Gain/Loss-Sale of Securities  
 620004 Nonoperating Income - Nonstandard CIAC  
 620007 Return on AMI/Dynamic Pricing Regulatory Asset-MD

620008 Return on AMI/Dynamic Pricing Regulatory Asset-DC  
620012 Return on Direct Load Control Regulatory Asset-DC  
632000 AFUDC-Equity  
633500 Revenue-Property Claims Billed-Electric  
633511 Contra Revenue-Third Party Reimbursements-Electric  
633515 Revenue-Property Claims Discount-Electric  
633535 Revenue-Other Accounts Receivable Billed-Electric  
633570 Revenue-Settlements-Special Billing-Electric  
633580 Revenue-Limited Liability Property Damage-Sp Bill  
633600 Revenue-Property Claims Unbilled-Electric  
633635 Revenue-Other Accounts Receivable Unbilled-Elec  
633660 Revenue-Sales Slips  
633697 Revenue-Interconnection Application Fee-MD  
633699 Revenue-Interconnection Application Fee-DC  
640000 Interest Income  
640005 Dividend Income  
680052 VAS - Miscellaneous  
680152 VAS-Revenues Unbilled Electric-Special Billing  
710005 Salaries-Base Wages  
710010 Salaries-Overtime  
710015 Salaries-Meal Allowance  
710016 Salaries-Auto Allowance  
710020 Salaries-Incentive Pay  
710022 Salaries-Employee Recognition Award  
710030 Salaries-Other  
710036 Salaries-LTIP  
710041 Salaries-Severance  
710051 Salaries-Relocation  
710060 Salaries-Incentive-AIP / MVIP  
710066 Salaries-Incentive-Payout vs Accrual-AIP  
710068 Salaries-Incentive-Executive  
710069 Salaries-Incentive-Payout vs Accrual-EIP  
710080 Deferred Compensation Liability Adjustments  
720005 Benefits-FICA / Medicare  
720010 Benefit-Federal Unemployment Insurance  
720015 Benefit-State Unemployment Insurance  
720101 Payroll Taxes - Manual  
720102 Payroll Taxes-Net-Contra (Reporting)  
720103 Payroll Taxes-TOTI (Reporting)  
721005 Benefit-Pension  
721007 Benefit-SERP  
721021 Benefit - Accrued Vacation  
721025 Benefit-Workmens Comp  
721030 Benefit-Savings & Thrift  
721031 Benefits-Savings & Thrift-Manual  
721035 Benefit-OPEB Medical  
721050 Benefit-LT Disability

721055 Benefit-Medical  
721060 Benefit-Education Plan  
721071 Employee Stock Purchase Plan Discount Cost  
721080 Benefit-Employee Association  
721082 Benefit-Service Awards  
721084 Benefit-Wellness  
721096 Benefit-Allocated from Total Corporate  
721098 Benefit-Employee Contributions  
721110 Benefits-Accrual-O&M  
723000 Benefit-Other  
730005 Material-DPL CPD  
730007 Material Expense-Direct Ship  
730008 Material Expense-Fabrication Shop  
730010 Material Expense-Nonstock  
730012 Material-HULV  
730020 Material Expense-Gasoline  
730030 Material-Freight Nonstock  
730035 Material Expense-Consignment-PEPCO  
730040 Material Expense-Direct Ship-ATP  
730041 Material Expense-Nonstock-ATP  
730052 Material-ACE CPD  
730059 Material-PEPCO  
730110 Material-Accrual-O&M  
730210 Material-Accrual-Capital  
731005 Material-Scrapped  
731006 Material-Returned to Storeroom  
731007 Material-Scrap Proceeds  
731009 Material-Obsolete Inventory  
731010 Material-Gain Inventory Difference  
731015 Material-Losses Inventory Variance  
731021 Material-Gain price adjustments  
731060 Material-Loss/Gain price variances  
731080 Material-Discount Lost  
731085 Material-Discount Received  
751008 Purchased Power - System Ramapo PAR  
751012 Purchased Power - Renewable Energy Credits - MD  
751021 Purchased Power-System-Customer Chge  
751031 PJM - Scheduling, System Control & Dispatching Svc  
751032 PJM - LT Reliability Planning & Standards Develop  
751065 Purchased Power - Renewable Energy Credits - DC  
751090 Purchased Power-Contra-Intercompany (Reporting)  
751217 Misc PP Support Exp-Non System-Misc. Expenses - DC  
751218 Misc PP Support Exp-Non System-Misc. Expenses - MD  
751254 Deferred Purchased Power Expense - SOS - MD  
751256 Deferred Purchased Power Expense - SOS - DC  
751257 Deferred MD SOS Transmission Expenses  
751259 Deferred DC SOS Transmission Expenses



751262 Deferred Generation & Transmission-RAD-SOS-DC  
 751316 Administrative Credit - SOS - MD  
 751317 Administrative Credit - SOS - DC  
 751318 Deferred Revenue - RAD - DC  
 751321 Purchased Power-System Regulation Charges-DC SOS  
 751322 Purchased Power-System Regulation Charges-MD DSM  
 751323 Purchased Power-System Regulation Charges-MD SOS  
 751326 Purchased Power-System Regulation Charges-DC DSM  
 751331 Purchased Power-System Operating Reserves-DC SOS  
 751332 Purchased Power-System Operating Reserves-MD SOS  
 751334 Purchased Power-Sys Operating Reserves-Distrib Oth  
 751341 Purchased Power-DC SOS Transmission Losses  
 751342 Purchased Power-MD SOS Transmission Losses  
 751351 Purchased Power-Sys Meter Error Corrections-DC SOS  
 751352 Purchased Power-Sys Meter Error Corrections-MD SOS  
 751361 Purchased Power-System Marketers-DC SOS  
 751362 Purchased Power-System Marketers-MD SOS  
 751371 Purchased Power-System Interchange-DC SOS  
 751372 Purchased Power-System Interchange-MD SOS  
 751374 Purchased Power-System Interchange-Distrib Other  
 751381 Purch Pwr-Sys Transmission Congestion Chgs-DC SOS  
 751382 Purch Pwr-Sys Transmission Congestion Chgs-MD SOS  
 751391 Pur Pwr-Sys-Reactive Supp & Voltage Control-DC SOS  
 751392 Pur Pwr-Sys-Reactive Supp & Voltage Control-MD SOS  
 751401 Pur Power-Reliability Must Run (RMR) Charge-MD SOS  
 751431 Purch Power-NITS-DC SOS  
 751432 Purch Power-NITS-MD SOS  
 751441 Purch Power-DC SOS-Transmission Market Charges  
 751442 Purch Power-MD SOS-Transmission Market Charges  
 751451 Purch Power-Sys-Black Start Svc Capacity-DC SOS  
 751452 Purch Power-Sys-Black Start Svc Capacity-MD SOS  
 751461 Purchased Power-System Capacity-DC SOS  
 751462 Purchased Power-System Capacity-MD SOS  
 751466 Purchased Power-System Capacity-MD Gap  
 751471 PJM-Mkt Facilitation, Monitoring & Comp-DC SOS  
 751472 PJM-Mkt Facilitation, Monitoring & Comp-MD SOS  
 751481 Pur Power-Sys Load Dispatch & Add'l Costs-DC SOS  
 751482 Pur Power-Sys Load Dispatch & Add'l Costs-MD SOS  
 751484 Pur Power-Sys Load Dispatch & Add'l Costs-Dist Oth  
 751487 PJM Capacity Resource - DC DSM  
 751488 PJM Capacity Resource - MD DSM  
 751490 Purch Power-Energy-DC DSM  
 751491 Purch Power-Energy-MD DSM  
 751495 Anniversary Credits-Net Energy Metering-MD SOS  
 760005 Contractor-Professional and Consulting Fees  
 760010 Contractor-Other Services  
 760015 Contractor-Temporary Employment

760020 Contractor-Maintenance  
760025 Contractor-Training  
760035 Contractor-Outside Counsel/Legal  
760040 Contractor-Supplemental Skills  
760041 Contractor-External Craft Skills  
760042 Contractor-Design for Construction  
760105 Contractor-Legal Other  
760110 Contractor-Estimated Accruals  
760112 Contractor-Market Research  
760120 Contractor-Accrual-O&M  
760210 Contractor-Accrual-Capital  
770005 Rents-Building and Property  
770010 Rents-Pole Attachments  
770015 Rents-Other  
771005 Leases-Equipment and Computers  
771010 Leases-Vehicle  
772005 Insurance-Property  
772014 Insurance - Auto  
772016 Insurance-Company Owned Life (COLI)  
772020 Claims-General Liability  
772025 Claims-Auto Liability  
780001 Amortization - Electric General  
780003 Amortization of Reg Asset - MAPP Abandonment Costs  
780017 Amortization of Reg Asset-Maintain Equip-MD-592  
780018 Amortization of Reg Asset-Maint OH Lines-MD-593  
780019 Amort. of Reg Asset-Cust Record & Coll-MD-903  
780020 Amortization of Regulatory Debits  
780022 Amortization - Demand Side Management Deferred Exp  
780025 Amortization of Regulatory Credits  
780028 MD Capacity Gap Deferral Recovery  
780031 Amortization of Software - Electric  
780042 Regulatory Debit-Regulatory Commission Exp-MD-928  
780044 Regulatory Debit-Regulatory Commission Exp-DC-928  
780046 Regulatory Debit-Load Dispatching-MD-581  
780047 Regulatory Debit-Customer Assistance-MD-908  
780048 Regulatory Debits-General-MD-407.3  
780049 Regulatory Debits-General-DC-407.3  
780059 Regulatory Debit-Payroll Taxes-MD-408.1  
780062 Regulatory Debit-Misc Distribution Expenses-MD-588  
780072 Regulatory Debits-AMI Savings-902 MD Electric  
780074 Regulatory Debits-AMI Savings-903 MD Electric  
780083 Amortization of Contra Regul Asset-DC Electric  
781010 Depreciation-Unregulated  
781410 Depreciation - Electric  
781411 Depreciation - Electric - DC Distribution  
781412 Depreciation - Electric - MD Distribution  
781416 Depreciation-Allocated Distribution

781417 Depreciation - Electric - Transmission  
781418 Depreciation - Electric - General  
782005 Interest-Long Term Debt  
782010 Interest-Other  
782012 Interest-Other-MD  
782015 Amortization of Debt Discount (L/T Debt)  
782016 Amortization of Debt Discount (S/T Debt)  
782017 Amortization of Debt Issuance Costs - Manual  
782020 Amortization of Reacquired Debt  
782025 Amortization of Premium on Debt  
782035 AFUDC-Debt  
782200 FIN 48 Interest Expense - Federal  
782201 FIN 48 Interest Expense - State  
783005 Settlement-CIAC  
783010 Settlement-AFUDC  
783030 Settlement-Labor  
783031 Settlement-Material  
783032 Settlement-Contractor  
783033 Settlement-Overheads  
783034 Settlement-Other Capital  
783035 Settlement-Sales & Use Tax (Capital)  
783100 Settlement-Deferred Costs  
783500 CIAC-Taxable  
783510 CIAC-Non Taxable  
783520 CIAC-Nonstandard Taxable  
783530 Third Party Reimbursement-Highway Relocation  
783600 AFUDC to Projects  
783700 Salvage  
783800 Reimbursed Costs  
783999 Costs Transferred  
790010 Travel-Expenses  
790020 Travel - Meals  
790025 Travel-Employee Mileage  
791005 Registration Fees  
791010 Training-Materials and Other  
792005 Employee Memberships-Deductible - ATP  
792006 Corporate Memberships-Deductible  
792010 Employee Memberships-Nondeductible  
792011 Corporate Memberships-Nondeductible  
792012 Professional Dues & Licenses - Nondeductible  
793005 Donations-Deductible  
793010 Donations-Nondeductible  
794006 Collection-Agency Fees  
794007 Collection-Uncollectible-Special Billing  
794010 General-Penalties  
794015 General-Advertising Expenses  
794020 General-Utilities

794034 Trustee Fees  
794035 General-Fees and Licenses  
794038 Bank Fees  
794039 Professional Dues and Licenses-Deductible-ATP  
794040 General-Postage  
794041 Postage - Customer Bills  
794060 Uncollectible Accounts - MD - Distribution  
794061 Uncollectible Accounts - DC - Distribution  
794064 Uncollectible Accounts - MD - SOS  
794065 Uncollectible Accounts - DC - SOS  
794072 Deferred Administrative Exp-MD-Contra (Reporting)  
794073 Deferred Administrative Exp-DC-Contra (Reporting)  
794076 Deferred Administrative Expenses - SOS - MD  
794078 Deferred Administrative Expenses - SOS - DC  
794100 General - Safety Apparel  
795004 Industry Meeting Expenses  
795010 General-Meals  
795011 General - Meals & Entertainment - Fully Deductible  
795012 General-Entertainment  
795015 General-Office Supplies and Expense  
795016 General-Telephone  
795017 General-Software  
795018 General-Noncash Service/Safety Awards  
795019 General-Noncash Employee Small Gifts  
795020 General-Promotional Expenses  
795022 General-Computers & Equipment Purchases  
795110 General-Miscellaneous-Accrual-O&M  
795210 General-Miscellaneous-Accrual-Capital  
796002 Regulatory Credits-Maintain Equipment-MD-592  
796003 Regulatory Credits-Maintain OH Lines-MD-593  
796004 Regulatory Credits-Cust Records & Coll.-MD-903  
796005 General-Miscellaneous Deductions  
796006 Employee-Miscellaneous Deductions-ATP  
796009 Business Transformation Costs - DC  
796010 Business Transformation Costs  
796013 Regulatory Credits-Customer Assistance-MD-908  
796014 Regulatory Credits-Payroll Taxes-MD-408.1  
796016 Regulatory Credit-Regulatory Commission Exp-MD-928  
796027 Regulatory Credit-Elc Software Amortization-404-MD  
796028 Regulatory Credit-Elc Software Amortization-404-DC  
796029 Regulatory Credits-Outside Services-MD-923  
796031 Regulatory Credits-Misc Distribution Exp-MD-588  
796034 Business Transformation Costs - MD  
796039 Pepco Residential Participant Bill Credits - MD  
796040 Demand Side Management (DSM) Costs - MD  
796043 Demand Side Management (DSM) Costs - DC  
796046 Pepco Small Business Enrollment Credits - MD

796047 Pepco Small Business Participant Bill Credits - MD  
 796048 Pepco Critical Peak Rebate Credits - MD  
 796049 Pepco Residential Participant Bill Credits - DC  
 796050 Contra Expense-Third Party Reimbursements-Electric  
 796053 Demand Side Management (DSM) Common Costs - MD  
 796057 DSM Deferred Expense (Over/Under) Recovery-MD  
 796060 Purchase of Receivable Expense  
 796080 Customer Credits & Commitments  
 796101 Cash Desk Overage/Shortage  
 796150 Regulatory Debit Expense-One Year or Less  
 796200 Discounts Captured / Lost - Non-Resource  
 796201 Discounts Captured / Lost - ATP  
 796400 O&M Expense-Affiliated Companies (Reporting)  
 796401 O&M Expense-Affiliated Companies-Contra  
 796402 Employee Costs Billed / Billing  
 796403 O&M Revenue-Affiliated Companies-Contra  
 797010 Taxes-Federal Income Tax  
 797015 Taxes-State Inc Tax  
 797020 Taxes-Other than Income Taxes  
 797022 Property Tax Expense  
 797035 Taxes-Deferred Federal Income Taxes  
 797037 Taxes-Deferred Federal Income Taxes - Credit  
 797045 Taxes-Deferred State Income Taxes  
 797047 Taxes-Deferred State Income Taxes-Credit  
 797060 Investment Tax Credit - Amortized  
 797081 State Income Tax - FIN 48 & Effectively Settled  
 797203 Taxes-Right of Way-DC  
 797204 Taxes-Energy Trust Funds-DC  
 797206 Federal Excise Tax  
 797207 Taxes-Montgomery County Fuel Energy - MD  
 797208 Taxes - Universal Surcharge - MD  
 797209 Taxes - Environmental Surcharge - MD  
 797211 Taxes-Ballpark-DC  
 797212 Taxes-Bid-DC  
 797213 Property Taxes - Electric - DC  
 797214 Property Taxes - Non Operating - DC  
 797218 Property Taxes - Electric - MD - Personal  
 797219 Property Taxes - Non Operating - MD  
 797223 Property Taxes - Electric - VA  
 797227 Property Taxes - Electric - MD - Real  
 797240 Taxes-Delivery-DC  
 797244 Franchise Tax - MD  
 797246 Diesel Fuels Tax - MD  
 797250 Sales and Use Tax - DC  
 797251 Sales and Use Tax - MD  
 797253 Sales and Use Tax - VA  
 798502 Direct Charge Debit

798503 Direct Charge Credit  
798504 Assessment Debit  
798505 Assessment Credit  
798506 Overhead Debit  
798507 Overhead Credit  
798508 Order Settlmt Debit  
798509 Order Settlmt Credit  
800004 Transfer-Stock Material Pepco  
800005 Transfer-Labor Costs  
800007 Transfer-Non Stock Material  
800008 Transfer-Contractor Costs  
800009 Transfer-E&S and A&G  
800010 Transfer-Other  
800100 Capitalized Residual Costs  
800104 Capital Transfer - Pension Residual  
800105 Capital Transfer - Benefit Residual  
800106 Capital Transfer - Payroll Tax Residual  
800400 BSC Assigned Services - Time Charge Offset  
828001 Current FIT Tax Expense  
829501 Current OT Separate Co Expense  
830001 Deferred FIT Expense - Current  
830401 Deferred SIT MD - Current Year  
830901 Deferred SIT OT Unitary - Current Year  
832003 Amortization of Investment Tax Credit  
910100 Plant In Service  
910105 Plant In Service - Electric - General  
910106 Plant In Service - Electric - Transmission  
910110 Property Under Cap Lease  
910121 Plant In Service - Electric - MD Distribution  
910131 Plant In Service - Electric - Pepco Distribution  
910165 Plant In Service - Electric - Intangible  
910191 Plant In Service - Electric - DC Distribution  
910521 Plant Held for Future Use-Electric-MD Distribution  
910591 Plant Held for Future Use-Electric-DC Distribution  
910600 Compl Constr Not Classified  
910605 Plant Unclassified - Electric - General  
910606 Plant Unclassified - Electric - Transmission  
910611 Plant Unclassified - Electric - Alloc Distribution  
910621 Plant Unclassified - Electric - MD Distribution  
910631 Plant Unclassified - Electric - Pepco Distribution  
910691 Plant Unclassified - Electric - DC Distribution  
910700 Constr Work In Progress  
910705 Asset Under Construction-Electric-General  
910706 Asset Under Construction-Electric-Transmission  
910731 Asset Under Construction-Elec-Pepco Distribution  
910800 Acc Deprec - Elec Utility Plant  
910805 Accumulated Depreciation - Electric General

910806 Accumulated Depreciation - Transmission  
910821 Accumulated Depreciation - MD Distribution  
910831 Accumulated Depreciation - Pepco Distribution  
910891 Accumulated Depreciation - DC Distribution  
911105 Accum Amortization - Limited Term Plant - Electric  
912100 Nonutility Property  
912200 Acc Depr & Amort of Nonutility Property  
912310 Inv in Subsidiary Companies  
912800 Other Special Funds  
913100 Cash  
913400 Other Special Deposits  
913500 Working Funds  
913600 Temporary Cash Investment  
914200 Customer Accounts Rec  
914221 Customer Accounts Receivable - MD  
914227 Customer Accts Receivable-MD-Third Party Supplier  
914291 Customer Accounts Receivable - DC  
914297 Customer Accts Receivable-DC-Third Party Supplier  
914300 Other Accounts Receivable  
914400 Accum Provision for Uncollectible Accts-Credit  
914600 Accts Rec - Associated Companies  
915400 Plant Mat & Operating Supplies  
916500 Prepayments  
916520 Prepayments - Insurance  
917100 Int & Div Receivable  
917200 Rents Receivable  
917300 Accrued Utility Revenue  
918100 Unamortized Debt Expense  
918230 Other Regulatory Assets - Other  
918400 Clearing Accounts  
918600 Miscellaneous Deferred Debits  
918610 Miscellaneous Deferred Debits - Prepaid Pension  
918697 Miscellaneous Deferred Debits - DC Reg Asset  
918900 Unamortized Loss on Reacquired Debt  
919000 Deferred Income Taxes  
920100 Common Stock Issued  
920700 Premium on Capital Stock  
920900 Reduction in Par Value of Capital Stock  
921000 Gain on Resale or Cancellation of Reacq Cap Stk  
921100 Miscellaneous Paid-in Capital  
921600 Unappropriated Retained Earnings  
921610 Unappropriated Undistributed Subsidiary Earnings  
922100 Bonds  
922400 Other Long-Term Debt  
922500 Unamortized Premium on Long-Term Debt  
922600 Unamortized Discount on Long-Term Debt - Debit  
922700 Obligations under Capital Lease - Noncurrent

923005 Asset Retirement Obligation-Electric-General  
923100 Notes Payable  
923200 Accounts Payable  
923224 Accounts Payable Accrual - Purchased Power - MD  
923294 Accounts Payable Accrual - Purchased Power - DC  
923400 Accounts Payable to Associated Companies  
923521 Customer Deposits-MD  
923591 Customer Deposits-DC  
923600 Taxes Accrued  
923700 Interest Accrued  
924100 Tax Collections Payable  
924200 Miscellaneous Current and Accrued Liabilities  
924210 Accrued Liabilities - OPEB  
924221 Accrued Liabilities - MD - Base  
924223 Accrued Liabilities - MD - Surcharge  
924224 Accrued Liability - MD SOS  
924294 Accrued Liability - DC SOS  
924300 Obligations under Capital Lease  
925200 Customer Advances for Construction  
925300 Other Deferred Credits  
925401 Other Regulatory Liabilities - Transmission - FFR  
925421 Other Regulatory Liabilities - MD - Base  
925423 Other Regulatory Liabilities - MD - DSM  
925424 Other Regulatory Liabilities - MD - SOS  
925427 Other Regulatory Liabilities -MD- Reg Liability  
925491 Other Regulatory Liabilities - DC - Base  
925500 Accumulated Deferred Investment Tax Credits  
928200 Deferred Income Taxes - Property  
928300 Deferred Income Taxes - Other  
940300 Depreciation Expense  
940305 Depreciation Expense - Electric - General  
940306 Depreciation Expense - Electric - Transmission  
940321 Depreciation Expense - Electric - MD Distribution  
940391 Depreciation Expense - Electric - DC Distribution  
940401 Amortization of Software - Electric  
940402 Amortization of Software-Elec-MD Regulatory Credit  
940403 Amortization of Software-Elec-DC Regulatory Credit  
940505 Amortization-Other Plant-Electric General  
940700 Amort of prop losses, unrec plt & regulatory study  
940730 Amortization of Regulatory Debits  
940810 Taxes other than inc taxes, utility operating inc  
940811 Taxes Other than Income Taxes-MD-Reg Debit/Credit  
940812 Taxes Other than Income Tax-MD  
940819 Taxes Other than Income Tax-DC  
940822 Property Taxes - Non Operating - MD  
940829 Property Taxes - Non Operating - DC  
940910 Income Taxes, Utility Operating Income



940912 Income Taxes - Utility Operating - State  
 940920 Income Taxes, Non-Operating  
 940923 Current State Taxes - Nonoperating  
 941010 Provision for deferred inc taxes - Utility Ops  
 941012 Deferred Income Taxes-State-Operating-Debit  
 941020 Provision for deferred inc taxes - Non-Operating  
 941023 Current Deferred State Taxes - Nonoperating  
 941110 Provision for Deferred Income Taxes - Ops - Credit  
 941112 Deferred Income Taxes-State-Operating-Credit  
 941120 Provision for Deferred Income Taxes-Credit -Nonops  
 941121 Provision for Deferred Income Taxes -State -Nonops  
 941140 Investment tax credit adjustments, utility ops  
 941500 Rev from Merchandising, Jobbing & Contract Work  
 941600 Exp from Merchandising, Jobbing & Contract Work  
 941700 Revenues from Nonutility Operations  
 941710 Exp of Nonutility Operations  
 941900 Interest and Dividend Income  
 941910 AFUDC - Equity  
 942100 Miscellaneous Nonoperating Income  
 942110 Gain-Property Disposition  
 942120 Loss on Disposition of Property  
 942127 Miscell Nonoperating Income-MD Elec-Reg Asst/Liab  
 942197 Miscell Nonoperating Income-DC Elec-Reg Asst/Liab  
 942610 Donations  
 942619 Donations - Service Company  
 942620 Life Insurance  
 942629 Life Insurance - Service Company  
 942630 Penalties  
 942639 Penalties - Service Company  
 942640 Exp for certain civic, political & related activ  
 942649 Exp for Civic, Political & Related Activ- Serv Co.  
 942650 Other Deductions  
 942659 Other Deductions - Service Company  
 942700 Interest-Long Term Debt  
 942800 Amortization of Debt Discount and Expense  
 942810 Amortization of Reacquired Debt  
 942900 Amortization of Premium on Debt  
 943000 Interest-Debt to Associated Companies  
 943100 Interest-Short Term Debt  
 943127 Interest - Short Term Debt - MD Other  
 943200 AFUDC - Debt  
 944021 Revenue-MD Residential Electric Distribution  
 944022 Revenue-MD Residential Electric Transmission (SOS)  
 944023 Revenue-MD Residential Electric Surcharge  
 944024 Revenue-MD Residential Electric Generation  
 944091 Revenue-DC Residential Electric Distribution  
 944092 Revenue-DC Residential Electric Transmission (SOS)

944093 Revenue-DC Residential Electric DSM  
 944094 Revenue-DC Residential Electric Generation  
 944221 Rev-MD Commercial Electric - Distribution  
 944222 Rev-MD Commercial Electric - Transmission (SOS)  
 944223 Rev-MD Commercial Electric - Surcharge  
 944224 Rev-MD Commercial Electric - Generation  
 944291 Rev-DC Commercial Electric - Distribution  
 944292 Rev-DC Commercial Electric - Transmission (SOS)  
 944293 Rev-DC Commercial Electric - DSM  
 944294 Rev-DC Commercial Electric - Generation  
 944421 Rev-MD Public Street & Hywy Electric-Distribution  
 944423 Rev-MD Public Street & Hywy Electric-DSM  
 944424 Rev-MD Public Street & Hywy Electric-Generation  
 944491 Rev-DC Public Street & Hywy Electric-Distribution  
 944493 Rev-DC Public Street & Hywy Electric-DSM  
 944494 Rev-DC Public Street & Hywy Electric-Generation  
 944621 Rev-MD Railroad & Traction Service-Distribution  
 944623 Rev-MD Railroad & Traction Service-Surcharge  
 944691 Rev-DC Railroad & Traction Service-Distribution  
 944693 Rev-DC Railroad & Traction Service-Surcharge  
 944694 Rev-DC Railroad & Traction Service-Generation  
 944722 Sales for Resale - Electric - MD SOS  
 944723 Sales for Resale - Electric - MD Surcharge  
 944792 Sales for Resale - Electric - DC SOS  
 944793 Sales for Resale - Electric - DC DSM  
 945021 Rev-MD Late Payments-Electric-Distribution  
 945024 Rev-MD Late Payments-Electric-Generation  
 945091 Rev-DC Late Payments-Electric-Distribution  
 945094 Rev-DC Late Payments-Electric-Generation  
 945100 Miscellaneous Service Revenues - Electric  
 945121 Miscellaneous Service Revenues - MD - Distribution  
 945191 Miscellaneous Service Revenues - DC - Distribution  
 945400 Rent from Elec Property  
 945600 Other Electric Revenue  
 945612 Revenue-Other Electric-Transmission-Other  
 945613 Revenue-Other Elec-Transmission Svc-Distrib Other  
 945616 Revenue-Other Electric-Transmission-FFR  
 945621 Revenue-MD Other Electric-Distribution  
 945622 Other Electric Revenue-MD SOS  
 945691 Revenue-DC Other Electric-Distribution  
 945692 Other Electric Revenue-DC SOS  
 955500 Purchased power  
 955523 Purchased Power - MD DSM  
 955524 Purchased Power - MD SOS  
 955527 Purchased Power - MD - Surcharge  
 955593 Purchased Power - DC DSM  
 955594 Purchased Power - DC SOS

955600 System cont & load dispatch  
955609 System Control & Load Dispatch - Service Co.  
955624 System Control & Load Dispatch - MD SOS  
955694 System Control & Load Dispatch - DC SOS  
955700 Other expenses  
955724 Other Expenses - MD SOS  
955727 Other Expenses - MD - Surcharge  
955794 Other Expenses - DC SOS  
956000 Operation Supervision & Engineering  
956009 Oper. Supervision/Engineering-Transmission-Serv Co  
956120 Load Dispatch - Monitor & Operate Transmission Sys  
956130 Load Dispatch - Transmission Service & Scheduling  
956140 Scheduling, System Control and Dispatch Services  
956150 Reliability, Planning and Standards  
956180 L/T Reliability Planning & Standards Development  
956200 Station expenses  
956300 Overhead line expenses  
956400 Underground Line Expenses - Transmission  
956600 Miscellaneous transmission expenses  
956609 Miscellaneous Transmission Expenses - Service Co.  
956700 Rents  
956800 Maintenance Supervision & Engineering  
956900 Maint of structures  
956920 Maintenance of Computer Software  
957000 Maintenance of station equipment  
957100 Maintenance of overhead lines  
957200 Maintenance of underground lines  
957300 Maintenance of miscellaneous transmission plant  
957550 Ancillary Services Market Administration  
958000 Operation Supervision & Engineering  
958100 Load dispatching  
958101 Load Dispatching-MD-Regulatory Debit/Credit  
958200 Station expenses  
958300 Overhead line expenses  
958400 Underground line expenses  
958500 Street lighting  
958600 Meter expenses  
958609 Meter Expenses - Distribution - Service Company  
958700 Customer installations expenses  
958800 Miscellaneous distribution expenses  
958801 Misc Distribution Expenses - MD - Reg Debit/Credit  
958809 Miscellaneous Distribution Expenses - Service Co.  
958900 Rents  
959000 Maintenance Supervision & Engineering  
959100 Maintain structures  
959200 Maintain equipment  
959201 Maintain Equipment-MD-Regulatory Debit/Credit

959300 Maintain overhead lines  
959301 Maintain Overhead Lines-MD-Regulatory Debit/Credit  
959400 Maintain underground line  
959500 Maintain line transformers  
959600 Maintain street lighting & signal systems  
959700 Maintain meters  
959800 Maintain distribution plant  
990200 Meter reading expenses  
990221 Meter Reading Expenses-Regulatory Debit MD Dist.  
990300 Customer records and collection expenses  
990301 Cust Records and Collection-MD-Reg Debit/Credit  
990309 Customer Records & Collection Exp - Service Co.  
990321 Cust Records and Collection Exp-Reg Debit-MD Distr  
990421 Uncollectible Accounts - MD - Distribution  
990424 Uncollectible Accounts - MD - SOS  
990491 Uncollectible Accounts - DC - Distribution  
990494 Uncollectible Accounts - DC - SOS  
990700 Supervision - Customer Svc & Informational Exp  
990800 Customer assistance expenses  
990801 Customer Assistance Exp-MD-Regulatory Debit/Credit  
990809 Customer Assistance Expenses - Service Company  
990823 Customer Assistance Expense - Energy Advisors - MD  
990893 Customer Assistance Expense - Energy Advisors - DC  
990900 Informational & instructional advertising expenses  
990909 Information & Instruction Advertising Exp-Serv Co  
991000 Miscellaneous customer service & informational exp  
991300 Advertising expense  
992000 Administrative & General salaries  
992100 Office supplies & expenses  
992109 Office Supplies & Expenses - Service Company  
992300 Outside services employed  
992309 Outside Services Employed - Service Company  
992310 Outside Services - LTIP PARS  
992320 Outside Services - Deferred Comp Liability Adjust.  
992330 Outside Services - SERP  
992400 Property insurance  
992409 Property Insurance - Service Company  
992500 Injuries & damages  
992509 Injuries & Damages - Service Company  
992600 Employee pensions & benefits  
992603 Employee Pensions & Benefits-Energy Advizr/Engr-MD  
992800 Regulatory commission expenses  
992821 Regulatory Commission Expenses - External - MD  
992891 Regulatory Commission Expenses - External - DC  
992900 Duplicate charges-Credit  
993010 General ad expenses  
993020 Miscellaneous general expenses

993029 Miscellaneous General Expenses - Service Company  
 993100 Rents  
 993500 Maintenance of general plant  
 999001 Balance Sheet Offset  
 999004 Income Statement Offset  
 91080A Accumulated Depreciation - Allocated Distribution  
 91080L Accumulated Depreciation - Removal Costs  
 91082L Accumulated Depreciation-Removal Costs-MD Distrib  
 91083L Accumulated Depreciation-Removal Costs-Elec Genl  
 91086L Accumulated Depreciation-Removal Costs-Transmiss  
 91089L Accumulated Depreciation-Removal Costs-DC Distrib  
 91420S Customer Accounts Receivable - MD - Surcharge  
 91430L Other Accounts Receivable - Labor Alloc  
 91430W Other Accounts Receivable - Transmission Other  
 91430X Other Accounts Receivable - Elec Distribution Oth  
 91440C Accum Provision for Uncollectible Accts-DC  
 91440M Accum Provision for Uncollectible Accts-MD  
 91440S Accum Provision for Uncollectible Accts-Spec Bill  
 91581C Allowance Inventory-Renewable Energy Credits-DC  
 91581M Allowance Inventory-Renewable Energy Credits-MD  
 91823A Other Regulatory Assets - Transmission - FFR  
 91823G Other Regulatory Assets - MD - Base  
 91823H Other Regulatory Assets - MD - SOS  
 91823I Other Regulatory Assets - MD - DSM  
 91823J Other Regulatory Assets - MD - Reg Asset  
 91823K Other Regulatory Assets - DC - Base  
 91823L Other Regulatory Assets - DC - SOS  
 91823M Other Regulatory Assets - DC - DSM  
 91823N Other Regulatory Assets - DC - Reg Asset  
 91823P Other Regulatory Assets - Net Plant Alloc  
 91823R Other Regulatory Assets-Control Center EMS  
 91823S Other Regulatory Assets - Labor Alloc  
 91860S Miscellaneous Deferred Debits-Labor Allocator  
 92320L Accounts Payable - Labor Alloc  
 92320P Accounts Payable - Net Plant Alloc  
 92320X Accounts Payable - Electric Distribution Other  
 92420L Misc Current and Accrued Liabilities - Labor Alloc  
 92420X Misc Current and Accd Liab-Elec Distribution Other  
 92530P Other Deferred Credits - Net Plant Alloc  
 92540P Other Regulatory Liabilities - Net Plant Alloc  
 94030A Depreciation Expense-Elec-Allocated Distribution  
 9404EI Amortization of Software - Electric - CTA  
 94073C Amortization of Regulatory Debits-SOS-DC  
 94073E Amortization of Regulatory Debits - DC  
 94073F Amortization of Regulatory Debits-DC Surcharge  
 94073M Amortization of Regulatory Debits-SOS-MD  
 94073N Amortization of Regulatory Debits - MD

94073Q	Amortization of Regulatory Debits-MD Surcharge
94081A	Taxes Other than Inc Tax-Property Taxes-Allocated
94081C	Taxes Other than Inc Tax-Property Taxes-DC
94081F	Payroll Taxes - Energy Advisors & Engineers - MD
94081I	Taxes Other than Inc Tx-Payroll Tx-Cost to Achieve
94081K	Taxes Other than Inc Tax-Federal Excise Tax
94081M	Taxes Other than Inc Tax-Property Taxes-MD
94081P	Taxes Other than Inc Tax-Payroll Taxes
94081Q	Taxes Other than Income Tax-Payroll Taxes-PLUG
94081R	Taxes Other than Inc Tax-Property Tax-Elec-MD-Real
94081Y	Payroll Taxes - Accounting Policy Harmonization
94160Y	Exp Merch, Job & Cntrct Work-Acctg Pol Harmon-Elec
94261H	Donations - BSC - Cost to Achieve
94261I	Donations - Cost to Achieve
94261X	Donations - BSC
94263X	Penalties - BSC
94264H	Exp for Civic, Political & Related Act-BSC CTA-Elc
94264I	Exp for Civic, Political & Related Act-CTA-Elec
94264Z	Exp for Civic, Political & Related Activ - BSC
94265I	Other Deductions - Merger Transactions
94265T	Other Deductions - Transmission
94265Y	Other Deductions - Accounting Policy Harmonization
94265Z	Other Deductions - BSC
94402N	Unbilled Rev-MD Residential Electric Distribution
94402Q	Unbilled Rev-MD Residential Electric Transmission
94402R	Unbilled Rev-MD Residential Electric Generation
94409N	Unbilled Rev-DC Residential Electric Distribution
94409Q	Unbilled Rev-DC Residential Electric Transmission
94409R	Unbilled Rev-DC Residential Electric Generation
94422N	Unbilled Rev-MD Commercial Electric - Distribution
94422Q	Unbilled Rev-MD Commercial Electric - Transmission
94422R	Unbilled Rev-MD Commercial Electric - Generation
94429N	Unbilled Rev-DC Commercial Electric - Distribution
94429Q	Unbilled Rev-DC Commercial Electric - Transmission
94429R	Unbilled Rev-DC Commercial Electric - Generation
94442N	Unbilled Rev-MD Public Street & Hywy Elec-Distrib
94442R	Unbilled Rev-MD Public Street & Hywy Elec-Generatn
94449N	Unbilled Rev-DC Public Street & Hywy Elec-Distrib
94449R	Unbilled Rev-DC Public Street & Hywy Elec-Generatn
94462N	Unbill Rev-MD Railroad & Traction Service-Distrib
94469N	Unbill Rev-DC Railroad & Traction Service-Distrib
94561C	Other Electric Revenue - Transmission - DC SOS
94561M	Other Electric Revenue - Transmission - MD SOS
94562N	Unbilled Revenue-MD Other Electric-Distribution
94569N	Unbilled Revenue-DC Other Electric-Distribution
95551C	Purchased Power Non-System - DC
95551M	Purchased Power Non-System - MD

95569I	System Control & Load Dispatch - Service Co. CTA
95569V	Sys Cont & Load Dispatch-Service Co-Exec Severance
95600I	Operation Superv & Engin Trans-Costs to Achieve
95600X	Operation Supervision & Engineering Trans-BSC
95609I	Operation Superv & Engin Trans-SC Costs to Achieve
95669I	Misc. Transmission Exp-Service Company-CTA
95730Y	Maint of Misc Transmission Plant-Acctg Policy Harm
95757C	Mkt Facilitation, Monitoring & Compliance - DC SOS
95757M	Mkt Facilitation, Monitoring & Compliance - MD SOS
95800I	Operation Supervision & Engineering - CTA
95840C	Underground Line Expenses - DC
95840P	Underground Line Expenses - PLUG
95840V	Underground Line Expenses-Executive Severance
95860C	Meter Expenses - Distribution - DC
95860I	Meter Expenses - Costs to Achieve
95860M	Meter Expenses - Distribution - MD
95860Y	Meter Expenses - Accounting Policy Harmonization
95880C	Miscellaneous Distribution Expenses - DC
95880I	Miscellaneous Distribution Exp-Costs to Achieve
95880M	Miscellaneous Distribution Expenses - MD
95889I	Miscellaneous Distribution Exp-SC Costs to Achieve
95890C	Rents - DC
95890M	Rents - MD
95926S	Maint Station Equip-Distribution-Storm-Non-Jurisd
95930C	Maintain Overhead Lines-Distribution-DC
95930M	Maintain Overhead Lines-Distribution-MD
95936C	Maintain Overhead Lines-Distribution-Storm-DC
95936M	Maintain Overhead Lines-Distribution-Storm-MD
95936S	Maint Overhead Lines-Distribution-Storm-Non-Jurisd
95937C	Maintain Overhead Lines-Tree Trimming-DC
95937M	Maintain Overhead Lines-Tree Trimming-MD
95940C	Maintain Underground Lines - DC
95940M	Maintain Underground Lines - MD
95960M	Maintain street lighting & signal systems - MD
95980M	Maintain Distribution Plant - MD
95980Y	Maintain Distribution Plant-Acctg Policy Harmon
99030C	Customer Records and Collection Expenses - DC
99030I	Customer Records & Collection Exp-Cost to Achieve
99030M	Customer Records and Collection Expenses - MD
99036S	Cust Records and Collection Exp-Storm-Non-Jurisd
99039I	Customer Record & Coll Exp-Serv Co-Cost to Achieve
99080L	Customer Assistance Expenses - DSM
99080M	Customer Assistance Expenses - MD
99086S	Customer Assistance Expenses - Storm - Non-Jurisd
99090C	Information & Instruction Advertising Exp - DC
99090I	Inform & Instruction Advert Exp - Cost to Achieve
99090M	Information & Instruction Advertising Exp - MD

99090X	Information & Instruction Advertising Exp-BSC
99200I	Administrative & General Salaries-Costs to Achieve
99200V	Administrative & General Salaries-Exec Severance
99210I	Office Supplies & Expenses - Costs to Achieve
99230H	Outside Services Employed - BSC CTA
99230I	Outside Services Employed - Costs to Achieve
99230X	Outside Services Employed - BSC
99230Y	Outside Services Employ-Acctg Policy Harmonization
99236S	Outside Services - Storm - Non-Jurisdiction
99239I	Outside Services Employed-Serv Co-Costs to Achieve
99239V	Outside Service Employed-Service Co-Exec Severance
99240X	Property insurance - BSC
99260I	Employee Pensions & Benefits - Costs to Achieve
99260P	Employee Pensions & Benefits - PLUG
99260Y	Employee Pensions & Benefits-Acctg Policy Harmon
99280T	Regulatory Commission Expenses - Transmission
99282A	Regulatory Commission Expense-MD-Reg Debit/Credit
99282B	Regulatory Commission Expenses - Internal - MD
99289A	Regulatory Commission Expense-DC-Reg Debit/Credit
99289B	Regulatory Commission Expenses - Internal - DC
99290I	Duplicate Charges-Credit - Costs to Achieve
99301H	General Advertising Expenses - BSC Cost to Achieve
99301I	General Advertising Expenses-- Cost to Achieve
99301X	General Advertising Expenses - BSC
99302I	Miscellaneous General Expenses - Costs to Achieve



Summary for Accounts used to Calculate the Allocation Ratios  
Supplemental Information required for DC

**Ratio Title**

CPU Capacity Ratio	*
Customer Ratio	*
Data Storage Ratio	*
Employee Ratio	*
Employees By Building Ratio	*
Employees Paid Ratio	*
End User Ratio	*
Gross Insured P.P.E. Ratio	***
Gross P.P.E. Ratio	**
Historical Claims Ratio	*
Historical Legal Direct Charge Ratio	**
Kwh Output Ratio	*
Labor \$ Ratio	**
Materials Stock Issued Ratio	**
O & M Ratio	**
Real Estate Investment Ratio	**
Service Company Bill Ratio	**
Special Bills Ratio	*
Square Footage Ratio	*
Telephone Ratio	*
Transactions Processed Ratio	*
Two Factor Ratio	**
Vehicle \$ Ratio	**

\* No account applicable; ratio based on statistics

\*\* See remaining pages in Exhibit 3 for a list of account numbers. Please note, the numerator and denominator of each ratio use the same accounts in the calculation. The numerator applies to the client company amounts and the denominator to the amount of all client companies using the service.

\*\*\* This ratio is no longer used to allocate service company costs. Property Insurance previously used this ratio, however, it is now directly assigned to the applicable affiliate.

**PHI Allocation Factors**

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
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**Gross Property, Plant and Equipment Ratio**

101100	Property under Capital Lease (Manual)
101250	Asset Retirement Obligation (ARO) Asset
101251	Asset Retirement Obligation (ARO) Asset
101410	Plant In Service - Electric
101411	Plant In Service - Electric - DC Distri
101412	Plant In Service - Electric - MD Distri
101413	Plant In Service - Electric - DE Distri
101414	Plant In Service - Electric - Alloc Dis
101415	Plant In Service - Electric - NJ Distri
101417	Plant In Service - Electric - Transmiss
101418	Plant In Service - Electric - General
101419	Plant In Service - Electric - Pepco Dis
101420	Plant In Service - Gas
101430	Plant In Service - Common
101610	Plant In Service - Intangible
101611	Plant In Service - Intangible - Electri
101620	Plant In Service - Intangible - Gas
101630	Plant In Service - Intangible - Common
105411	Plant Held for Future Use-Electric-DC D
105412	Plant Held for Future Use-Electric-MD D
105413	Plant Held for Future Use-Electric-DE D
105415	Plant Held for Future Use-Electric-NJ D
105417	Plant Held for Future Use - Electric- T
105418	Plant Held for Future Use-Electric-Gene
106410	Plant Unclassified-Electric
106411	Plant Unclassified - Electric - DC Dist
106412	Plant Unclassified - Electric - MD Dist
106413	Plant Unclassified - Electric - DE Dist
106414	Plant Unclassified - Electric - Alloc D
106415	Plant Unclassified - Electric - NJ Dist
106417	Plant Unclassified-Electric-Transmissio
106418	Plant Unclassified - Electric - General
106419	Plant Unclassified - Electric - Pepco D
106420	Plant Unclassified - Gas
106430	Plant Unclassified - Common
107100	Accruals-Capital-Reserve
107200	Assets Under Construction Adjustments
107300	Asset Under Construction - Accruals - G
107301	Asset Under Construction - Accruals - D
107302	Asset Under Construction - Accruals - T
107410	Asset Under Construction-Electric
107412	Asset Under Construction-Electric-MD Di
107413	Asset Under Construction-Electric-DE Di
107415	Asset Under Construction-Electric-NJ Di
107417	Asset Under Construction - Electric - T
107418	Asset Under Construction - Electric - G

107419	Asset Under Construction-Electric-Pepco
107420	Asset Under Construction-Gas
107430	Asset Under Construction-Common
108411	Accumulated Cost of Removal (RWIP) - El
108421	Accumulated Cost of Removal (RWIP) - Ga
108441	Accum. Cost of Removal (RWIP) DC Distri
108442	Accum. Cost of Removal (RWIP) MD Distri
108443	Accum. Cost of Removal (RWIP) DE Distri
108445	Accum. Cost of Removal (RWIP) NJ Distri
108446	Accum. Cost of Removal (RWIP) Alloc Dis
108447	Accum. Cost of Removal (RWIP) Transmiss
108449	Accum. Cost of Removal (RWIP) Electric
108450	Accum. Cost of Removal (RWIP) Gas-Contr
121250	Nonutility - Asset Retirement Obligatio
121400	Plant In Service - Non Utility
121410	Asset Under Construction-Non Utility
186011	Misc Deferred Debits-Capitalized Licens
186355	Intangible Asset - Licensing Fees



**PHI Allocation Factors**

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
<b>Labor \$ Ratio</b>	
710005	Salaries-Base Wages
710010	Salaries-Overtime
710015	Salaries-Meal Allowance
710016	Salaries-Auto Allowance
710020	Salaries-Incentive Pay
710022	Salaries-Employee Recognition Award
710030	Salaries-Other
710036	Salaries-LTIP
710041	Salaries-Severance
710051	Salaries-Relocation
710060	Salaries-Incentive-AIP / MVIP
710066	Salaries-Incentive-Payout vs Accrual-AI
710068	Salaries-Incentive-Executive
710069	Salaries-Incentive-Payout vs Accrual-EI
710080	Deferred Compensation Liability Adjustm



## PHI Allocation Factors

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
<b>O &amp; M Ratio</b>	
511902	MTC and Other Deferred Costs
531003	Impairment Charge
633500	Revenue-Property Claims Billed-Electric
633510	Revenue-Property Claims Billed-Gas
633511	Contra Revenue-Third Party Reimbursemen
633512	Contra Revenue-Third Party Reimbursemen
633515	Revenue-Property Claims Discount-Electr
633520	Revenue-Property Claims Discount-Gas
633570	Revenue-Settlements-Special Billing-Ele
633575	Revenue-Settlements-Special Billing-Gas
633580	Revenue-Limited Liability Property Dama
633600	Revenue-Property Claims Unbilled-Electr
633610	Revenue-Property Claims Unbilled-Gas
710005	Salaries-Base Wages
710010	Salaries-Overtime
710015	Salaries-Meal Allowance
710016	Salaries-Auto Allowance
710020	Salaries-Incentive Pay
710022	Salaries-Employee Recognition Award
710030	Salaries-Other
710036	Salaries-LTIP
710041	Salaries-Severance
710043	Salaries-Benefit-Other
710051	Salaries-Relocation
710060	Salaries-Incentive-AIP / MVIP
710066	Salaries-Incentive-Payout vs Accrual-AI
710068	Salaries-Incentive-Executive
710069	Salaries-Incentive-Payout vs Accrual-EI
710080	Deferred Compensation Liability Adjustm
720005	Benefits-FICA / Medicare
720010	Benefit-Federal Unemployment Insurance
720015	Benefit-State Unemployment Insurance
720101	Payroll Taxes - Manual
720102	Payroll Taxes-Net-Contra (Reporting)
721005	Benefit-Pension
721007	Benefit-SERP
721021	Benefit - Accrued Vacation
721025	Benefit-Workmens Comp
721030	Benefit-Savings & Thrift

**PHI Allocation Factors**

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
<b>O &amp; M Ratio</b>	
721031	Benefits-Savings & Thrift-Manual
721035	Benefit-OPEB Medical
721045	Benefit-OPEB Dependents
721050	Benefit-LT Disability
721055	Benefit-Medical
721060	Benefit-Education Plan
721071	Employee Stock Purchase Plan Discount C
721080	Benefit-Employee Association
721081	Benefit-Child/Elder Care Referral
721082	Benefit-Service Awards
721084	Benefit-Wellness
721085	Benefit-Administration Fee
721096	Benefit-Allocated from Total Corporate
721098	Benefit-Employee Contributions
721110	Benefits-Accrual-O&M
723000	Benefit-Other
730005	Material-DPL CPD
730006	Material Expense-Consignment
730007	Material Expense-Direct Ship
730008	Material Expense-Fabrication Shop
730010	Material Expense-Nonstock
730012	Material-HULV
730020	Material Expense-Gasoline
730025	Material-Freight Stock
730030	Material-Freight Nonstock
730035	Material Expense-Consignment-PEPCO
730036	Material Expense-Consignment-ACE
730040	Material Expense-Direct Ship-ATP
730041	Material Expense-Nonstock-ATP
730052	Material-ACE CPD
730059	Material-PEPCO
730110	Material-Accrual-O&M
730210	Material-Accrual-Capital
731005	Material-Scrapped
731006	Material-Returned to Storeroom
731007	Material-Scrap Proceeds
731009	Material-Obsolete Inventory
731010	Material-Gain Inventory Difference
731015	Material-Losses Inventory Variance



## PHI Allocation Factors

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
<b>O &amp; M Ratio</b>	
731021	Material-Gain price adjustments
731060	Material-Loss/Gain price variances
731080	Material-Discount Lost
731085	Material-Discount Received
733000	Meter Purchases-DPL
733001	Meter Purchases-ACE
760005	Contractor-Professional and Consulting
760010	Contractor-Other Services
760015	Contractor-Temporary Employment
760020	Contractor-Maintenance
760025	Contractor-Training
760035	Contractor-Outside Counsel/Legal
760040	Contractor-Supplemental Skills
760041	Contractor-External Craft Skills
760042	Contractor-Design for Construction
760043	Contractor - Traffic Control
760100	Contractor-Publicity/Public Relations
760105	Contractor-Legal Other
760106	Contractor-Marketing
760110	Contractor-Estimated Accruals
760112	Contractor-Market Research
760120	Contractor-Accrual-O&M
760210	Contractor-Accrual-Capital
770005	Rents-Building and Property
770010	Rents-Pole Attachments
770015	Rents-Other
770016	Rents-Transmission Agreements
770110	Leases / Rents-Accrual-O&M
771005	Leases-Equipment and Computers
771010	Leases-Vehicle
772005	Insurance-Property
772010	Insurance-Liability
772011	Insurance-Directors & Officers
772014	Insurance - Auto
772015	Insurance-Other
772016	Insurance-Company Owned Life (COLI)
772020	Claims-General Liability
772025	Claims-Auto Liability
772100	Claims - Legal Settlements

**PHI Allocation Factors**

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
<b>O &amp; M Ratio</b>	
780072	Regulatory Debits-AMI Savings-902 MD EI
780073	Regulatory Debits-AMI Savings-903 DE EI
780074	Regulatory Debits-AMI Savings-903 MD EI
780075	Regulatory Debits-Gas AMI Savings-902 D
780076	Regulatory Debits-Gas AMI Savings-903 D
783005	Settlement-CIAC
783010	Settlement-AFUDC
783030	Settlement-Labor
783031	Settlement-Material
783032	Settlement-Contractor
783033	Settlement-Overheads
783034	Settlement-Other Capital
783100	Settlement-Deferred Costs
783500	CIAC-Taxable
783510	CIAC-Non Taxable
783515	CIAC-Refund
783520	CIAC-Nonstandard Taxable
783530	Third Party Reimbursement-Highway Reloc
783600	AFUDC to Projects
783601	Capitalized Interest Expense
783700	Salvage
783800	Reimbursed Costs
783999	Costs Transferred
784015	Joint Venture-O&M Costs
790010	Travel-Expenses
790020	Travel - Meals
790025	Travel-Employee Mileage
791005	Registration Fees
791010	Training-Materials and Other
792005	Employee Memberships-Deductible - ATP
792006	Corporate Memberships-Deductible
792010	Employee Memberships-Nondeductible
792011	Corporate Memberships-Nondeductible
792012	Professional Dues & Licenses - Nondeduc
793005	Donations-Deductible
793009	Donations-Nondeductible-Transmission
793010	Donations-Nondeductible
794006	Collection-Agency Fees
794007	Collection-Uncollectible-Special Billin

**PHI Allocation Factors**

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
<b>O &amp; M Ratio</b>	
794009	Penalties - Transmission
794010	General-Penalties
794011	Service Level Guarantee Expense
794012	Service Level Guarantee Expense - Relia
794013	Service Level Guarantee Expense - Const
794015	General-Advertising Expenses
794017	ACE Service Level Guarantee Expense-Cus
794018	DPL Service Level Guarantee Expense - D
794019	DPL Svc Level Guarantee Exp-Cust Sv Cre
794020	General-Utilities
794025	General-Regulatory Commission Expense
794026	Regulatory Commission Expense - Electri
794027	Regulatory Commission Expense - Gas - D
794028	Regulatory Commission Expense - Electri
794029	Regulatory Commission Expense - Electri
794030	General-Rebates / Customer Incentives
794032	General Fees - MD - Universal Service F
794033	General Fees - DE-Environmental & Low I
794034	Trustee Fees
794035	General-Fees and Licenses
794036	General-Fees-Trade Shows/Events
794038	Bank Fees
794039	Professional Dues and Licenses-Deductib
794040	General-Postage
794041	Postage - Customer Bills
794060	Uncollectible Accounts - MD - Distribut
794061	Uncollectible Accounts - DC - Distribut
794062	Uncollectible Accounts - DE - Distribut
794063	Uncollectible Accounts - NJ - Distribut
794064	Uncollectible Accounts - MD - SOS
794065	Uncollectible Accounts - DC - SOS
794066	Uncollectible Accounts - DE - SOS
794067	Uncollectible Accounts - Gas
794069	Uncollectible Accounts - DE - Renew Por
794072	Deferred Administrative Exp-MD-Contra (
794073	Deferred Administrative Exp-DC-Contra (
794076	Deferred Administrative Expenses - SOS
794077	Deferred Administrative Expenses - SOS
794078	Deferred Administrative Expenses - SOS

**PHI Allocation Factors**

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
<b>O &amp; M Ratio</b>	
794100	General - Safety Apparel
794260	Societal Benefits Charge - Unbilled Rev
795004	Industry Meeting Expenses
795010	General-Meals
795011	General - Meals & Entertainment - Fully
795012	General-Entertainment
795015	General-Office Supplies and Expense
795016	General-Telephone
795017	General-Software
795018	General-Noncash Service/Safety Awards
795019	General-Noncash Employee Small Gifts
795020	General-Promotional Expenses
795022	General-Computers & Equipment Purchases
795110	General-Miscellaneous-Accrual-O&M
795210	General-Miscellaneous-Accrual-Capital
796002	Regulatory Credits-Maintain Equipment-M
796003	Regulatory Credits-Maintain OH Lines-MD
796004	Regulatory Credits-Cust Records & Coll.
796005	General-Miscellaneous Deductions
796006	Employee-Miscellaneous Deductions-ATP
796009	Business Transformation Costs - DC
796010	Business Transformation Costs
796013	Regulatory Credits-Customer Assistance-
796014	Regulatory Credits-Payroll Taxes-MD-408
796016	Regulatory Credit-Regulatory Commission
796018	Regulatory Credit-Regulatory Commission
796022	Regulatory Credits-Maintain OH Lines-NJ
796023	Regulatory Credits-Cust Records & Coll.
796024	Regulatory Credits-Payroll Taxes-NJ-408
796026	Regulatory Credits-Customer Assistance-
796029	Regulatory Credits-Outside Services-MD-
796030	Business Transformation Costs - DE
796031	Regulatory Credits-Misc Distribution Ex
796032	Regulatory Credits-General-MD-407.4
796033	Regulatory Credits-Misc Distribution Ex
796034	Business Transformation Costs - MD
796035	DPL Residential Participant Bill Credit
796036	DPL Small Business Enrollment Credits -
796037	DPL Small Business Participant Bill Cre

**PHI Allocation Factors**

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
<b>O &amp; M Ratio</b>	
796038	DPL Residential Participant Bill Credit
796039	Pepco Residential Participant Bill Cred
796040	Demand Side Management (DSM) Costs - MD
796041	Demand Side Management (DSM) Costs - NJ
796042	Demand Side Management (DSM) Costs - DE
796043	Demand Side Management (DSM) Costs - DC
796044	Pepco Master Metered Enrollment Credits
796045	Pepco Master Metered Participant Bill C
796046	Pepco Small Business Enrollment Credits
796047	Pepco Small Business Participant Bill C
796048	Pepco Critical Peak Rebate Credits - MD
796049	Pepco Residential Participant Bill Cred
796050	Contra Expense-Third Party Reimbursemen
796051	Contra Expense-Third Party Reimbursemen
796052	DPL Critical Peak Rebate Credits - MD
796053	Demand Side Management (DSM) Common Cos
796059	O&M Expense-Neutralization (Over/Under)
796060	Purchase of Receivable Expense
796070	Business Transformation Costs - Gas
796080	Customer Credits & Commitments
796101	Cash Desk Overage/Shortage
796150	Regulatory Debit Expense-One Year or Le
796200	Discounts Captured / Lost - Non-Resourc
796201	Discounts Captured / Lost - ATP
796400	O&M Expense-Affiliated Companies (Repor
796401	O&M Expense-Affiliated Companies-Contra
796402	Employee Costs Billed / Billing
796403	O&M Revenue-Affiliated Companies-Contra
798502	Direct Charge Debit
798503	Direct Charge Credit
798504	Assessment Debit
798505	Assessment Credit
798506	Overhead Debit
798507	Overhead Credit
798508	Order Settltmt Debit
798509	Order Settltmt Credit
800003	Transfer-Stock Material ACE
800004	Transfer-Stock Material Pepco
800005	Transfer-Labor Costs
800006	Transfer-Stock Material-DPL
800007	Transfer-Non Stock Material
800008	Transfer-Contractor Costs

**PHI Allocation Factors**

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
<b>O &amp; M Ratio</b>	
800009	Transfer-E&S and A&G
800010	Transfer-Other
800100	Capitalized Residual Costs
800104	Capital Transfer - Pension Residual
800105	Capital Transfer - Benefit Residual
800106	Capital Transfer - Payroll Tax Residual
800400	BSC Assigned Services - Time Charge Off

## PHI Allocation Factors

Ratio TitleAccounts Used for Calculation

## Real Estate Investment Ratio

101100	Property under Capital Lease (Manual)
101410	Plant In Service - Electric
101411	Plant In Service - Electric - DC Distri
101412	Plant In Service - Electric - MD Distri
101413	Plant In Service - Electric - DE Distri
101414	Plant In Service - Electric - Alloc Dis
101415	Plant In Service - Electric - NJ Distri
101417	Plant In Service - Electric - Transmiss
101418	Plant In Service - Electric - General
101419	Plant In Service - Electric - Pepco Dis
101420	Plant In Service - Gas
101430	Plant In Service - Common
101611	Plant In Service - Intangible - Electri
101620	Plant In Service - Intangible - Gas
101630	Plant In Service - Intangible - Common
105411	Plant Held for Future Use-Electric-DC D
105412	Plant Held for Future Use-Electric-MD D
105413	Plant Held for Future Use-Electric-DE D
105415	Plant Held for Future Use-Electric-NJ D
105417	Plant Held for Future Use - Electric- T
105418	Plant Held for Future Use-Electric-Gener
106410	Plant Unclassified-Electric
106411	Plant Unclassified - Electric - DC Dist
106412	Plant Unclassified - Electric - MD Dist
106413	Plant Unclassified - Electric - DE Dist
106414	Plant Unclassified - Electric - Alloc D
106415	Plant Unclassified - Electric - NJ Dist
106417	Plant Unclassified-Electric-Transmissio
106418	Plant Unclassified - Electric - General
106419	Plant Unclassified - Electric - Pepco D
106420	Plant Unclassified - Gas
106430	Plant Unclassified - Common
121410	Asset Under Construction-Non Utility
770005	Rents-Building and Property

**PHI Allocation Factors**

Ratio Title

Accounts Used for Calculation

**Service Company Bill Ratio**

798502	Direct Charge Debit
798503	Direct Charge Credit
798504	Assessment Debit
798505	Assessment Credit



## PHI Allocation Factors

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
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## Two Factor Ratio

511902	MTC and Other Deferred Costs
531003	Impairment Charge
633500	Revenue-Property Claims Billed-Electric
633510	Revenue-Property Claims Billed-Gas
633511	Contra Revenue-Third Party Reimbursemen
633512	Contra Revenue-Third Party Reimbursemen
633515	Revenue-Property Claims Discount-Electr
633520	Revenue-Property Claims Discount-Gas
633570	Revenue-Settlements-Special Billing-Ele
633575	Revenue-Settlements-Special Billing-Gas
633580	Revenue-Limited Liability Property Dama
633600	Revenue-Property Claims Unbilled-Electr
633610	Revenue-Property Claims Unbilled-Gas
710005	Salaries-Base Wages
710010	Salaries-Overtime
710015	Salaries-Meal Allowance
710016	Salaries-Auto Allowance
710020	Salaries-Incentive Pay
710022	Salaries-Employee Recognition Award
710030	Salaries-Other
710036	Salaries-LTIP
710041	Salaries-Severance
710043	Salaries-Benefit-Other
710051	Salaries-Relocation
710060	Salaries-Incentive-AIP / MVIP
710066	Salaries-Incentive-Payout vs Accrual-AI
710068	Salaries-Incentive-Executive
710069	Salaries-Incentive-Payout vs Accrual-EI
710080	Deferred Compensation Liability Adjustm
720005	Benefits-FICA / Medicare
720010	Benefit-Federal Unemployment Insurance
720015	Benefit-State Unemployment Insurance
720101	Payroll Taxes - Manual
720102	Payroll Taxes-Net-Contra (Reporting)
721005	Benefit-Pension
721007	Benefit-SERP
721021	Benefit - Accrued Vacation
721025	Benefit-Workmens Comp
721030	Benefit-Savings & Thrift
721031	Benefits-Savings & Thrift-Manual
721035	Benefit-OPEB Medical
721045	Benefit-OPEB Dependents
721050	Benefit-LT Disability
721055	Benefit-Medical
721060	Benefit-Education Plan

**PHI Allocation Factors**

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
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**Two Factor Ratio**

721071	Employee Stock Purchase Plan Discount C
721080	Benefit-Employee Association
721081	Benefit-Child/Elder Care Referral
721082	Benefit-Service Awards
721084	Benefit-Wellness
721085	Benefit-Administration Fee
721096	Benefit-Allocated from Total Corporate
721098	Benefit-Employee Contributions
721110	Benefits-Accrual-O&M
723000	Benefit-Other
730005	Material-DPL CPD
730006	Material Expense-Consignment
730007	Material Expense-Direct Ship
730008	Material Expense-Fabrication Shop
730010	Material Expense-Nonstock
730012	Material-HULV
730020	Material Expense-Gasoline
730025	Material-Freight Stock
730030	Material-Freight Nonstock
730035	Material Expense-Consignment-PEPCO
730036	Material Expense-Consignment-ACE
730040	Material Expense-Direct Ship-ATP
730041	Material Expense-Nonstock-ATP
730052	Material-ACE CPD
730059	Material-PEPCO
730110	Material-Accrual-O&M
730210	Material-Accrual-Capital
731005	Material-Scrapped
731006	Material-Returned to Storeroom
731007	Material-Scrap Proceeds
731009	Material-Obsolete Inventory
731010	Material-Gain Inventory Difference
731015	Material-Losses Inventory Variance
731021	Material-Gain price adjustments
731060	Material-Loss/Gain price variances
731080	Material-Discount Lost
731085	Material-Discount Received
733000	Meter Purchases-DPL
733001	Meter Purchases-ACE
760005	Contractor-Professional and Consulting
760010	Contractor-Other Services
760015	Contractor-Temporary Employment
760020	Contractor-Maintenance
760025	Contractor-Training
760035	Contractor-Outside Counsel/Legal

## PHI Allocation Factors

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
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## Two Factor Ratio

760040	Contractor-Supplemental Skills
760041	Contractor-External Craft Skills
760042	Contractor-Design for Construction
760043	Contractor - Traffic Control
760100	Contractor-Publicity/Public Relations
760105	Contractor-Legal Other
760106	Contractor-Marketing
760110	Contractor-Estimated Accruals
760112	Contractor-Market Research
760120	Contractor-Accrual-O&M
760210	Contractor-Accrual-Capital
770005	Rents-Building and Property
770010	Rents-Pole Attachments
770015	Rents-Other
770016	Rents-Transmission Agreements
770110	Leases / Rents-Accrual-O&M
771005	Leases-Equipment and Computers
771010	Leases-Vehicle
772005	Insurance-Property
772010	Insurance-Liability
772011	Insurance-Directors & Officers
772014	Insurance - Auto
772015	Insurance-Other
772016	Insurance-Company Owned Life (COLI)
772020	Claims-General Liability
772025	Claims-Auto Liability
772100	Claims - Legal Settlements
780072	Regulatory Debits-AMI Savings-902 MD EI
780073	Regulatory Debits-AMI Savings-903 DE EI
780074	Regulatory Debits-AMI Savings-903 MD EI
780075	Regulatory Debits-Gas AMI Savings-902 D
780076	Regulatory Debits-Gas AMI Savings-903 D
783005	Settlement-CIAC
783010	Settlement-AFUDC
783030	Settlement-Labor
783031	Settlement-Material
783032	Settlement-Contractor
783033	Settlement-Overheads
783034	Settlement-Other Capital
783100	Settlement-Deferred Costs
783500	CIAC-Taxable
783510	CIAC-Non Taxable
783515	CIAC-Refund
783520	CIAC-Nonstandard Taxable
783530	Third Party Reimbursement-Highway Reloc

## PHI Allocation Factors

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
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## Two Factor Ratio

783600	AFUDC to Projects
783601	Capitalized Interest Expense
783700	Salvage
783800	Reimbursed Costs
783999	Costs Transferred
784015	Joint Venture-O&M Costs
790010	Travel-Expenses
790020	Travel - Meals
790025	Travel-Employee Mileage
791005	Registration Fees
791010	Training-Materials and Other
792005	Employee Memberships-Deductible - ATP
792006	Corporate Memberships-Deductible
792010	Employee Memberships-Nondeductible
792011	Corporate Memberships-Nondeductible
792012	Professional Dues & Licenses - Nondeduc
793005	Donations-Deductible
793009	Donations-Nondeductible-Transmission
793010	Donations-Nondeductible
794006	Collection-Agency Fees
794007	Collection-Uncollectible-Special Billin
794009	Penalties - Transmission
794010	General-Penalties
794011	Service Level Guarantee Expense
794012	Service Level Guarantee Expense - Relia
794013	Service Level Guarantee Expense - Const
794015	General-Advertising Expenses
794017	ACE Service Level Guarantee Expense-Cus
794018	DPL Service Level Guarantee Expense - D
794019	DPL Svc Level Guarantee Exp-Cust Sv Cre
794020	General-Utilities
794025	General-Regulatory Commission Expense
794026	Regulatory Commission Expense - Electri
794027	Regulatory Commission Expense - Gas - D
794028	Regulatory Commission Expense - Electri
794029	Regulatory Commission Expense - Electri
794030	General-Rebates / Customer Incentives
794032	General Fees - MD - Universal Service F
794033	General Fees - DE-Environmental & Low I
794034	Trustee Fees
794035	General-Fees and Licenses
794036	General-Fees-Trade Shows/Events
794038	Bank Fees
794039	Professional Dues and Licenses-Deductib
794040	General-Postage

## PHI Allocation Factors

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
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## Two Factor Ratio

794041	Postage - Customer Bills
794060	Uncollectible Accounts - MD - Distribut
794061	Uncollectible Accounts - DC - Distribut
794062	Uncollectible Accounts - DE - Distribut
794063	Uncollectible Accounts - NJ - Distribut
794064	Uncollectible Accounts - MD - SOS
794065	Uncollectible Accounts - DC - SOS
794066	Uncollectible Accounts - DE - SOS
794067	Uncollectible Accounts - Gas
794069	Uncollectible Accounts - DE - Renew Por
794072	Deferred Administrative Exp-MD-Contra (
794073	Deferred Administrative Exp-DC-Contra (
794076	Deferred Administrative Expenses - SOS
794077	Deferred Administrative Expenses - SOS
794078	Deferred Administrative Expenses - SOS
794100	General - Safety Apparel
794260	Societal Benefits Charge - Unbilled Rev
795004	Industry Meeting Expenses
795010	General-Meals
795011	General - Meals & Entertainment - Fully
795012	General-Entertainment
795015	General-Office Supplies and Expense
795016	General-Telephone
795017	General-Software
795018	General-Noncash Service/Safety Awards
795019	General-Noncash Employee Small Gifts
795020	General-Promotional Expenses
795022	General-Computers & Equipment Purchases
795110	General-Miscellaneous-Accrual-O&M
795210	General-Miscellaneous-Accrual-Capital
796002	Regulatory Credits-Maintain Equipment-M
796003	Regulatory Credits-Maintain OH Lines-MD
796004	Regulatory Credits-Cust Records & Coll.
796005	General-Miscellaneous Deductions
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796013	Regulatory Credits-Customer Assistance-
796014	Regulatory Credits-Payroll Taxes-MD-408
796016	Regulatory Credit-Regulatory Commission
796018	Regulatory Credit-Regulatory Commission
796022	Regulatory Credits-Maintain OH Lines-NJ
796023	Regulatory Credits-Cust Records & Coll.
796024	Regulatory Credits-Payroll Taxes-NJ-408
796026	Regulatory Credits-Customer Assistance-

## PHI Allocation Factors

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
<b>Two Factor Ratio</b>	
796029	Regulatory Credits-Outside Services-MD-
796030	Business Transformation Costs - DE
796031	Regulatory Credits-Misc Distribution Ex
796032	Regulatory Credits-General-MD-407.4
796033	Regulatory Credits-Misc Distribution Ex
796034	Business Transformation Costs - MD
796035	DPL Residential Participant Bill Credit
796036	DPL Small Business Enrollment Credits -
796037	DPL Small Business Participant Bill Cre
796038	DPL Residential Participant Bill Credit
796039	Pepco Residential Participant Bill Cred
796040	Demand Side Management (DSM) Costs - MD
796041	Demand Side Management (DSM) Costs - NJ
796042	Demand Side Management (DSM) Costs - DE
796043	Demand Side Management (DSM) Costs - DC
796044	Pepco Master Metered Enrollment Credits
796045	Pepco Master Metered Participant Bill C
796046	Pepco Small Business Enrollment Credits
796047	Pepco Small Business Participant Bill C
796048	Pepco Critical Peak Rebate Credits - MD
796049	Pepco Residential Participant Bill Cred
796050	Contra Expense-Third Party Reimbursemen
796051	Contra Expense-Third Party Reimbursemen
796052	DPL Critical Peak Rebate Credits - MD
796053	Demand Side Management (DSM) Common Cos
796059	O&M Expense-Neutralization (Over/Under)
796060	Purchase of Receivable Expense
796070	Business Transformation Costs - Gas
796080	Customer Credits & Commitments
796101	Cash Desk Overage/Shortage
796150	Regulatory Debit Expense-One Year or Le
796200	Discounts Captured / Lost - Non-Resourc
796201	Discounts Captured / Lost - ATP
796400	O&M Expense-Affiliated Companies (Repor
796401	O&M Expense-Affiliated Companies-Contra
796402	Employee Costs Billed / Billing
796403	O&M Revenue-Affiliated Companies-Contra
798502	Direct Charge Debit
798503	Direct Charge Credit
798504	Assessment Debit
798505	Assessment Credit
798506	Overhead Debit
798507	Overhead Credit
798508	Order Settlmt Debit
798509	Order Settlmt Credit

**PHI Allocation Factors**Ratio TitleAccounts Used for Calculation**Two Factor Ratio**

800003	Transfer-Stock Material ACE
800004	Transfer-Stock Material Pepco
800005	Transfer-Labor Costs
800006	Transfer-Stock Material-DPL
800007	Transfer-Non Stock Material
800008	Transfer-Contractor Costs
800009	Transfer-E&S and A&G
800010	Transfer-Other
800100	Capitalized Residual Costs
800104	Capital Transfer - Pension Residual
800105	Capital Transfer - Benefit Residual
800106	Capital Transfer - Payroll Tax Residual
800400	BSC Assigned Services - Time Charge Off
101100	Property under Capital Lease (Manual)
101250	Asset Retirement Obligation (ARO) Asset
101251	Asset Retirement Obligation (ARO) Asset
101410	Plant In Service - Electric
101411	Plant In Service - Electric - DC Distri
101412	Plant In Service - Electric - MD Distri
101413	Plant In Service - Electric - DE Distri
101414	Plant In Service - Electric - Alloc Dis
101415	Plant In Service - Electric - NJ Distri
101417	Plant In Service - Electric - Transmiss
101418	Plant In Service - Electric - General
101419	Plant In Service - Electric - Pepco Dis
101420	Plant In Service - Gas
101430	Plant In Service - Common
101610	Plant In Service - Intangible
101611	Plant In Service - Intangible - Electri
101620	Plant In Service - Intangible - Gas
101630	Plant In Service - Intangible - Common
105411	Plant Held for Future Use-Electric-DC D
105412	Plant Held for Future Use-Electric-MD D
105413	Plant Held for Future Use-Electric-DE D
105415	Plant Held for Future Use-Electric-NJ D
105417	Plant Held for Future Use - Electric- T
105418	Plant Held for Future Use-Electric-Gener
106410	Plant Unclassified-Electric
106411	Plant Unclassified - Electric - DC Dist
106412	Plant Unclassified - Electric - MD Dist
106413	Plant Unclassified - Electric - DE Dist
106414	Plant Unclassified - Electric - Alloc D
106415	Plant Unclassified - Electric - NJ Dist
106417	Plant Unclassified-Electric-Transmissio
106418	Plant Unclassified - Electric - General

**PHI Allocation Factors**

<u>Ratio Title</u>	<u>Accounts Used for Calculation</u>
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**Two Factor Ratio**

106419	Plant Unclassified - Electric - Pepco D
106420	Plant Unclassified - Gas
106430	Plant Unclassified - Common
107100	Accruals-Capital-Reserve
107200	Assets Under Construction Adjustments
107300	Asset Under Construction - Accruals - G
107301	Asset Under Construction - Accruals - D
107302	Asset Under Construction - Accruals - T
107410	Asset Under Construction-Electric
107412	Asset Under Construction-Electric-MD Di
107413	Asset Under Construction-Electric-DE Di
107415	Asset Under Construction-Electric-NJ Di
107417	Asset Under Construction - Electric - T
107418	Asset Under Construction - Electric - G
107419	Asset Under Construction-Electric-Pepco
107420	Asset Under Construction-Gas
107430	Asset Under Construction-Common
108411	Accumulated Cost of Removal (RWIP) - El
108421	Accumulated Cost of Removal (RWIP) - Ga
108441	Accum. Cost of Removal (RWIP) DC Distri
108442	Accum. Cost of Removal (RWIP) MD Distri
108443	Accum. Cost of Removal (RWIP) DE Distri
108445	Accum. Cost of Removal (RWIP) NJ Distri
108446	Accum. Cost of Removal (RWIP) Alloc Dis
108447	Accum. Cost of Removal (RWIP) Transmiss
108449	Accum. Cost of Removal (RWIP) Electric
108450	Accum. Cost of Removal (RWIP) Gas-Contr
121400	Plant In Service - Non Utility
121410	Asset Under Construction-Non Utility



**PHI Allocation Factors**

Ratio Title

Accounts Used for Calculation

**Vehicle \$ Ratio**

798502

Direct Charge Debit

798503

Direct Charge Credit

Pepco

Supplemental Information #2  
To Pepco Holdings LLC Cost Allocation Manual  
Required for DC

**Supplemental Information to Pepco Holdings Inc. Cost Allocation Manual (CAM)**  
**(Required under DC Order No. 16189, Chapter 39, Section 3904.2)**

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<u>Description</u>	<u>Page No.</u>
(1) An explanation of the corporate organization	Included in CAM
(2) A description of each corporate entity, including location, list of officers and the statement of the business of each entity	Included in CAM
(3) A listing of each type of cost which is allocated or charged direct between entities and the factors which are used in the allocation	Exhibit 1 Included in CAM
(4) An explanation and calculation of each of the cost allocation factors used for transfers between and among corporate entities	Included in CAM
(5) A listing of the total amount of each cost allocated or charged direct between or among corporate entities during the annual period	Exhibit 1

POTOMAC ELECTRIC POWER COMPANY  
DIRECT CHARGES AND ALLOCATED COSTS  
PROVIDED BY AFFILIATE TO PEPCO  
YEAR ENDED DECEMBER 31, 2016

Company/Description of services	Total Transactions to Pepco	Direct Transactions to Pepco	Allocated Transactions to Pepco
<b>Delmarva Power &amp; Light Company</b>			
Building Services	\$ 921	\$ 921	\$ -
Regulatory Affairs Services	180	180	-
Safety Services	2,214	2,214	-
Field Training Services	2,539	2,539	-
Engineering and Planning Services	65,530	65,530	-
Construction and Maintenance Services	6,553	6,553	-
Meter Services	797	797	-
Vehicle Services	2,667	2,667	-
Drafting Services	72,041	72,041	-
Communication Services	1,908	1,908	-
System Operation Services	8,170	8,170	-
Storm Restoration Services	1,848	1,848	-
Materials and Stores	705,100	705,100	-
Building Lease (use of building space)	2,662	-	2,662
Community Affairs Services	456	456	-
<b>Total Delmarva Power &amp; Light Company</b>	<b><u>\$ 873,586</u></b>	<b><u>\$ 870,924</u></b>	<b><u>\$ 2,662</u></b>
<b>Atlantic City Electric Company</b>			
Drafting Services	\$ 210	\$ 210	\$ -
Field Training Services	1,936	1,936	-
Construction and Maintenance Services	5,084	5,084	-
System Operations Services	6,528	6,528	-
Communication Services	3,046	3,046	-
Materials and Stores	98,481	98,481	-
<b>Total Atlantic City Electric Company</b>	<b><u>\$ 115,285</u></b>	<b><u>\$ 115,285</u></b>	<b><u>\$ -</u></b>
<b>W.A. Chester, L.L.C.</b>			
Cable, Overhead and Underground Construction and Maintenance Services	\$ 39,234,279	\$ 39,234,279	\$ -
<b>Total W.A. Chester, L.L.C.</b>	<b><u>\$ 39,234,279</u></b>	<b><u>\$ 39,234,279</u></b>	<b><u>\$ -</u></b>
<b>Exelon Generation Company, LLC</b>			
Purchase Power Transactions	\$ 294,889,707	\$ 294,889,707	\$ -
<b>Total Exelon Generation Company, LLC</b>	<b><u>\$ 294,889,707</u></b>	<b><u>\$ 294,889,707</u></b>	<b><u>\$ -</u></b>

POTOMAC ELECTRIC POWER COMPANY  
DIRECT CHARGES AND ALLOCATED COSTS  
PROVIDED BY AFFILIATE TO PEPCO  
YEAR ENDED DECEMBER 31, 2016

Company/Description of services	Total Transactions to Pepco	Direct Transactions to Pepco	Allocated Transactions to Pepco
<b>PECO Energy Company</b>			
Work Management Services	\$ 7,343	\$ 7,343	\$ -
Transmission Agreements - Extra-High Voltage (EHV)	223,082	223,082	
<b>Total PECO Energy Company</b>	<u>\$ 230,425</u>	<u>\$ 230,425</u>	<u>\$ -</u>
<b>Exelon Business Services Company, LLC</b>			
Centralized Support Services (a)	\$ 31,370,546	\$ 4,043,163	27,327,383
<b>Total Exelon Business Services Company, LLC</b>	<u>\$ 31,370,546</u>	<u>\$ 4,043,163</u>	<u>\$ 27,327,383</u>
<b>PHI Service Company</b>			
Centralized Support Services (b)	\$ 263,235,465	\$ 55,777,848	207,457,617
<b>Total PHI Service Company</b>	<u>\$ 263,235,465</u>	<u>\$ 55,777,848</u>	<u>\$ 207,457,617</u>

(a)

**Exelon Business Services Company, LLC (EBSC)**

Services provided by EBSC are provided under a General Service Agreement with Pepco. Charges are provided by either direct charging of costs or are based on an allocation. The factors for allocating the costs from EBSC to Exelon affiliates are contained in the General Services Agreement. Information on the EBSC allocation methods are explained in detail under Schedule XXI, Methods of Allocations, in the FERC Form 60 filed for EBSC.

EBSC provides a variety of support services, including finance services, human resources services, information technology services, and legal services to all Exelon subsidiaries.

(b)

**PHI Service Company (PHISCO)**

Services provided by the Service Company are provided under a Service Agreement with Pepco. Charges are provided by either direct charging of costs or are based on an allocation. The Service Agreement provides specific guidelines on the allocation methods used to charge these costs to the various PHI affiliates. Information on the Service Company allocation methods are explained in detail under Schedule XXI, Methods of Allocations, in the FERC Form 60 filed for PHISCO.

PHISCO provides a variety of services which include executive management, procurement and administrative services, financial and corporate services, insurance coverage and services, human resources, legal services, audit services, customer services, information technology, external affairs services, environmental services, safety services, regulated electric and gas (transmission and distribution services), and internal consulting services.

The services provided by the regulated electric and gas area include system operations services; meter maintenance and testing; power procurement and energy planning; and other delivery services, including delivery senior management, asset management, financial analysis, engineering standards, interconnection planning and arrangements, distribution and transmission planning, value added services, engineering services for distribution, substation and transmission, system protection, drafting and construction management, electric maintenance, administrative support, forestry, process improvement, training, performance analysis, benchmarking, and enabling systems.

POTOMAC ELECTRIC POWER COMPANY  
DIRECT CHARGES AND ALLOCATED COSTS  
PROVIDED TO AFFILIATE FROM PEPSCO  
YEAR ENDED DECEMBER 31, 2016

Company/Description of services	Total Transactions from Pepco	Direct Transactions from Pepco	Allocated Transactions from Pepco
<b>Delmarva Power &amp; Light Company</b>			
Safety Services	\$ 1,612	\$ 1,612	\$ -
Shops Department Fabrication Services	310,301	310,301	-
Engineering and Planning Services	131,533	131,533	-
Construction and Maintenance Services	51,902	51,902	-
Meter Services	430	430	-
Materials and Stores	270,924	270,924	-
Asset Transfer - Meters	42,778	42,778	-
<b>Total Delmarva Power &amp; Light Company</b>	<b><u>\$ 809,480</u></b>	<b><u>\$ 809,480</u></b>	<b><u>\$ -</u></b>
<b>Atlantic City Electric Company</b>			
Safety Services	\$ 620	\$ 620	\$ -
Shops Department Fabrication Services	65,348	65,348	-
Engineering and Planning Services	180,601	180,601	-
Construction and Maintenance Services	73,225	73,225	-
Operation and Maintenance Services	1,492	1,492	-
Communication Services	2,350	2,350	-
Materials and Stores	56,232	56,232	-
<b>Total Atlantic City Electric Company</b>	<b><u>\$ 379,868</u></b>	<b><u>\$ 379,868</u></b>	<b><u>\$ -</u></b>
<b>Conectiv Energy Supply Inc.</b>			
Construction and Maintenance Services	\$ 3,692	\$ 3,692	\$ -
<b>Total Conectiv Energy Supply Inc.</b>	<b><u>\$ 3,692</u></b>	<b><u>\$ 3,692</u></b>	<b><u>\$ -</u></b>
<b>W.A. Chester, L.L.C.</b>			
Property Claims and Materials	\$ 38,131	\$ 38,131	\$ -
Building Lease (use of building space)	209,788	209,788	-
Intercompany use of electricity	21,943	21,943	-
Billing Services	63	63	-
<b>Total W.A. Chester, L.L.C.</b>	<b><u>\$ 269,925</u></b>	<b><u>\$ 269,925</u></b>	<b><u>\$ -</u></b>
<b>Pepco Holdings LLC</b>			
Merger-Related Services	\$ 50,288	\$ 50,288	\$ -
<b>Total Pepco Holdings LLC</b>	<b><u>\$ 50,288</u></b>	<b><u>\$ 50,288</u></b>	<b><u>\$ -</u></b>

POTOMAC ELECTRIC POWER COMPANY  
DIRECT CHARGES AND ALLOCATED COSTS  
PROVIDED TO AFFILIATE FROM PEPKO  
YEAR ENDED DECEMBER 31, 2016

Company/Description of services	Total Transactions from Pepco	Direct Transactions from Pepco	Allocated Transactions from Pepco
<b>Constellation New Energy</b>			
Account Management and Coordination Fees	\$ 267,273	\$ 267,273	\$ -
<b>Total Constellation New Energy</b>	<b><u>\$ 267,273</u></b>	<b><u>\$ 267,273</u></b>	<b><u>\$ -</u></b>
<b>Baltimore Gas &amp; Electric Company</b>			
Engineering Services	\$ 86,177	\$ 86,177	\$ -
<b>Total Baltimore Gas &amp; Electric Company</b>	<b><u>\$ 86,177</u></b>	<b><u>\$ 86,177</u></b>	<b><u>\$ -</u></b>
<b>PECO Energy Company</b>			
Mutual Assistance Services	\$ 55,563	\$ 55,563	\$ -
<b>Total PECO Energy Company</b>	<b><u>\$ 55,563</u></b>	<b><u>\$ 55,563</u></b>	<b><u>\$ -</u></b>
<b>PHI Service Company</b>			
Vehicle Services	\$ 1,001,332	\$ 1,001,332	-
Trailers	7,725	7,725	-
Materials and Stores	304,912	304,912	-
Network Support, IT and Training Services	280,453	280,453	-
Building Lease (use of building space)	3,254,547	-	3,254,547
Intercompany use of electricity	951,122	951,122	-
<b>Total PHI Service Company</b>	<b><u>\$ 5,800,091</u></b>	<b><u>\$ 2,545,544</u></b>	<b><u>\$ 3,254,547</u></b>

Pepco

Supplemental Information #3  
To Pepco Holdings LLC  
Cost Allocation Manual  
Required for DC



## Flotation Costs

From time to time, Exelon Corporation (EXC) issues shares of its common stock through sales to the public. In the process of selling common stock to the public, EXC incurs issuance expenses (or flotation costs). These issuance expenses include, but are not limited to:

- underwriting fees,
- legal fees,
- stock exchange fees,
- printing costs,
- audit fees, and
- other miscellaneous expenses.

Also from time to time, EXC may use the common stock equity to make equity contributions to Pepco Holdings LLC (PHI) and in turn to the PHI utility subsidiaries in order to maintain the common equity ratios of the utility subsidiaries at their target levels in support of the utilities' long-term credit ratings. For ratemaking purposes, Pepco's allocated share of EXC's equity issuance expenses from a given public equity issuance shall be in proportion to the amount of equity contributed to Pepco from the EXC public equity issuance in question.

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the Public Version of Potomac Electric Power Company's Cost Allocation Manual 2017 and Supplements 1, 2, and 3 was served on all parties this 1<sup>st</sup> day of May by electronic mail, hand-delivery, first-class mail postage prepaid.

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